

JPRS-UCG-84-014

10 July 1984

# USSR Report

CONSUMER GOODS AND DOMESTIC TRADE



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

10 July 1984

USSR REPORT  
CONSUMER GOODS AND DOMESTIC TRADE

CONTENTS

**CONSUMER GOODS PRODUCTION AND DISTRIBUTION**

Meat, Milk Industry First Deputy Minister on Sector Progress (V. Demin; EKONOMIKA SEL'SKOGO KHOZYAYSTVA, No 3, Mar 84)	1
UkSSR Food Industry Deputy Minister on Economic Experiment (PRAVDA UKRAINY, 29 Feb 84) .....	10
Ministry Officials on Modernizing Shoe Industry (G. I. Kurganov, et al., Interview; PLANOVYE KHOZYAYSTVO, No 4, Apr 84) .....	14
Sugar Industry Achievements, Shortcomings in 1983 (SAKHARNAYA PROMYSHLENNOST', No 2, Feb 84) .....	25
Shortcomings of Company Store Network Examined (Ye. Perets, SOVETSKAYA KULTURA, 13 Mar 84) .....	30

**HOUSING AND PERSONAL SERVICES**

Interview With Minister on UkSSR Housing Code (V. D. Ploshchenko Interview; RABOCHAYA GAZETA, 28 Dec 83)	34
Interview With RSFSR Consumer Services Minister (Ivan Grigor'evich Dudenkov Interview; IZVESTIYA, 18 Mar 84)	38
Official Responds to Criticism of Housing Maintenance (V. Atopov; IZVESTIYA, 23 Mar 84) .....	40
Maintenance of Private Housing Inadequate (L. Kiryushina; STROITEL'NAIA GAZETA, Apr 84) .....	44
Astrakhan Experiments To Improve Consumer Services (Yu. Kurdov; EKONOMICHESKAYA GAZETA, No 14, Apr 84) .....	48

Limitations of Belorussian Consumer Services Noted (A. Simurov; PRAVDA, 2 Mar 84) .....	52
<b>CONSUMER SECTOR POLICY AND ECONOMICS</b>	
BSSR Light Industry Ministry Nagibovich on Economic Experiment (L. Nagibovich; PLANOVYE KHOZYAYSTVO, No 2, Feb 84) ....	56
Gosbank Official Examines Wholesale Goods Turnover (I. L. Blinchevskiy; DEN'GI I KREDIT, No 2, Feb 84) .....	63
Role of Gosbank in Production of Consumer Goods Analyzed (A. A. Obozintsev; DEN'GI I KREDIT, No 2, Feb 84) .....	72
<b>FOOD PROCESSING AND DISTRIBUTION</b>	
New Georgian Agroindustrial Trade Association Viewed (B. Kukhianidze; EKONOMICHESKAYA GAZETA, No 22, May 84)	88

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### MEAT, MILK INDUSTRY FIRST DEPUTY MINISTER ON SECTOR PROGRESS

Moscow EKONOMIKA SEL'SKOGO KHOZYAYSTVA in Russian No 3, Mar 84 pp 15-20

[Article by V. Demin, first deputy minister of the USSR Ministry of the Meat and Dairy Industry: "All Resources for Implementation of the Food Program"]

[Text] The meat and dairy industry of today is a highly industrial sector, whose share of the food products produced in the country is approximately 43 percent. It is comprised of approximately 4,800 enterprises: 1,000 live-stock and meat processing and 3,600 milk processing establishments. Moreover, refrigerators and refrigeration combines, enterprises engaged in the production of various types of crates and packaging materials, machine tool plants and repair and mechanical workshops, sovkhozes and feeding centers, milk receiving centers and separator divisions, state cattle purchasing organizations, and transport units function within the sector.

Carrying out their socialist responsibilities as adopted in implementation of resolutions of the November (1982) and June (1983) CPSU Central Committee Plenums, collectives at meat and dairy industry enterprises in 1983 produced over plan 115,000 tons of meat, 135,000 tons of animal oil, 55,000 tons of sausage products, 31,000 tons of cheese, 1.1 million tons of whole milk products, 27,000 tons of meat convenience products and 1.7 billion rubles worth of other products. This was the first time that the industry achieved such gains.

On the whole throughout the USSR Meat and Dairy Industry Ministry system, quotas were filled for increased labor productivity, reduction in cost of commodity output, and profits and contributions to the state budget. Raw materials received were used more effectively. Thus, as a result of improvement in the technology of cattle, meat and milk processing, reduction in natural meat waste through thermal processing and preservation, the use of protein components from animal and plant sources to enrich meat products, and the production of lowfat milk products in 1983, meat reserves were increased by 471,000 tons and 11.8 million tons of milk fat in milk equivalent were saved in conversion to milk.

Work on improving the quality and assortments of products has been continued. In 1983, the production volumes of high-quality animal oil, rennet cheeses (graded) and sausage products were 98.6 percent, 73 percent and 54 percent, respectively, of the total production volumes of each of these types of products.

The industrial production of dry milk products for babies was organized (Malysh, Malyutka, Vitalakt), as well as canned baby food with a meat base. Last year, 41,500 tons and 17 million cans, respectively, of these were produced. Production of products with various nutritive biologically active food-enriching additives were expanded, including lowfat milk products enriched with protein, malt extract, fruit and berry and other valuable food components, for various age groups of the population; the amount of meat convenience foods and culinary products has increased. The production of prepared meat and dairy dishes was organized; in the future this will be developed at an accelerated rate.

Meanwhile, there are still a number of shortcomings and omissions in industry operations. Industry potentials for increasing production output are not being fully utilized, many enterprises and associations are not fulfilling sales plans with regard to agreements for supplying products in assortment, losses of raw materials and prepared products are allowed, as is distribution into the commercial network of meat and dairy products that do not meet production standards and technical conditions.

Now that the plan has become the law of production activity of all sectors of the national economy after confirmation by a session of the USSR Supreme Soviet, the attention of meat and dairy industry workers has been focused upon the most critical questions, the answers to which determine the success of the enterprise, i.e., a search for additional reserves to guarantee unconditional fulfillment of the 1984 plan and prevent loss of the time that has been gained and to more actively develop positive processes.

In accordance with resolutions of the May (1982) CPSU Central Committee Plenum, the USSR Minmyasomolprom [Ministry of the Meat and Dairy Industry] was given the task of bringing meat production to 12.1 million tons, while milk products to 31.3 million tons, animal oil to 1.6 million tons, and rich cheese to 1 million tons by 1990. The successful fulfillment of these quotas will make it possible to guarantee the population a steady supply of meat and milk products.

Understanding the importance of the tasks posed by the food program to the meat and dairy industry, labor collectives extensively developed socialist competition for the early fulfillment of meat and milk products production plans. For 1984, over-plan production of meat, sausage products and meat convenience foods at more than 65,000 tons, milk products--322,000 tons, canned meat and milk products--at more than 22 million standard cans, and dry animal feed of more than 3,000 tons has been planned.

Sector workers have taken on a commitment to meet food program targets ahead of time (by 1989) for the production of such a valuable product as cheese. In order to assure high production increase rates, the necessary measures for intensive development of domestic cheese-making and perfection of the biotechnology for the preparation of this product have already been determined, based on the achievements of Soviet and foreign science. It was decided to carry out the unrestricted reconstruction and the technical equipping of existing cheese-making plants with new technology, using Gosbank loans with the

appropriate material support. In regions where cheese-making can develop at an accelerated rate because of advantageous natural conditions, a number of zootechnical and other measures were begun so as to increase the quality of the milk and improve its reserves. In order to provide moral and economic stimulation for the development of cheese-making, class certification of masters was introduced, with an appropriate supplementary payment and the institution of badges reading "For skill in cheese-making" and "For the development of cheese-making."

Resolutions of the December (1983) CPSU Central Committee Plenum, the task of achieving an above-plan increase in labor productivity, have received warm support and approval in the collectives. The 1 percent growth of labor productivity in the meat and dairy industry signifies that an extra 386 million rubles worth of products will be produced by the industry.

The planned increase in labor productivity will be provided for mainly by an increase in the technical level of production and worker skills and adoption of scientific labor organization. Measures for assimilating new techniques and advanced technology and the mechanization and automation of production processes are being carried out for just these reasons. New highly efficient production equipment has been developed and put into production in recent years jointly with the Minlegpishchemash [Ministry of Machine Building for Light and Food Industry and Household Appliances] and other ministries and departments: complete sets of equipment provided with automation facilities for the pickling of meat and preparation of sausage meat, meat convenience food production and packing lines, skinless sausage production lines, mechanized vats for cheese production, mechanized flow lines for the production of oil, automated lines for the bottling of pasteurized milk, automated cheese-makers with programmed control, etc.

At the same time, a number of plants still do not have technical levels that meet requirements. Thus, out of the envisaged 670 type-sizes of equipment needed to equip the meat, only 532 are manufactured serially. A substantial portion of the installed equipment is obsolete and worn-out and requires modernization and change. Equipment used in individual sub-branches and enterprises does not provide the necessary depth and complexity for cheese processing. The level of utilization of low-waste and no-waste technology is still low, which results in raw material losses during its processing and storage.

It is known that putting the new techniques and progressive technology into production contributes to improvement in the technical and economical industry work indicators. For example, the use of a production line for cooked sausage using bulk coagulation of the sausage meat with a productivity of 500 kg/hour makes it possible to cut thermal processing time from 3.5-4 hours to 15 minutes, to eliminate manual labor, and to reach an annual economic effect of 49,000 rubles; adoption of a mechanized flow line for cattle processing with a productivity of 100 head per hour results in a 40 percent increase in labor productivity (an economic effect of 86,400 rubles); utilization of an automated production line for cottage cheese, allowing 5,000 liters of milk to be processed in an hour will make it possible to increase labor productivity by a factor of 2.7 and to conditionally release eight men (economic effect--74,400 rubles).

In the production cost structure of the commodity output of the meat and dairy industry, the cost of raw materials reaches 92 percent. In this regard, the efficient and economical use of them is the basic direction in increasing the efficiency of production in the industry.

A summarizing indicator of completeness of raw material utilization is the production yield from 1 ton of processed raw materials. While 1,576 rubles worth of products were obtained from 1 ton of cattle by enterprises of the meat and dairy industry in 1983 in the USSR on an average, the RSFSR average was 1,677 rubles, the Estonian SSR--1,798 rubles, the Belorussian SSR average was only 1,318 rubles, and the Kazakh SSR 1,211 rubles. The average worth of products obtained from 1 ton of milk was 237 rubles for the USSR, for the RSFSR--250 rubles, for the Latvian SSR--248 rubles; the Ukrainian SSR average was only 209 rubles and the Belorussian SSR 205 rubles.

Of course, these indices can change as a function of the underlying production structure, but there are still considerable reserves in the industry. Therefore, competition has been extensively developed here, using the motto "Maximum high quality production from every ton of processed raw materials."

Collectives of the production associations, enterprises and organizations of the USSR Ministry of the Meat and Dairy Industry have taken it upon themselves in 1984 to guarantee efficient and comprehensive processing of livestock raw materials and as a result of this to produce and to sell additional meat and dairy products worth no less than 478 million rubles, to reduce material and monetary expenditures in production by 168 million rubles in addition to the plan. It has been planned to adopt measures for further improvement of technological processes, reduction of raw material waste in production, increase in production yield, increase in the output of new and improved quality products, the use of protein components from animal and plant sources, and on this basis to increase meat product reserves by 475,000 tons and to save 12 million tons of milk fat in milk equivalent.

With the introduction of low-waste and no-waste technology, the degree of skim milk, buttermilk and whey utilization increases. In 1983, 18.1 million tons of skim milk and buttermilk and 5.6 million tons of milk whey they used in production, or 47 percent and 48 percent of their respective reserves. In 1990, these indices will be 27.9 million and 15.4 million tons, respectively (67.1 percent and 78 percent of their reserves). In this regard, the use of milk whey in the food industry for the production of bread, confectionery and macaroni products is increasing. Together with the enrichment of products with valuable milk proteins, this will permit a substantial savings in flour (a 40 kg savings of flour is made possible by using 1 ton of milk whey in bread baking). It is planned to deliver 2.3 million tons of milk whey to the food industry in 1990, resulting in flour savings of 94,000 tons.

Every year more than 17 million tons of skim milk is returned to agriculture from state reserves, comprising 48 percent of its total resources, whereas according to average physiological norms approximately 14 million tons of this milk is required for the feeding of young animals. Moreover, almost 6 million tons of milk whey is delivered to kolkhozes and sovkhozes.

The existing system for returning skim milk to kolkhozes and sovkhozes according to norms established by Council of Ministers of the union republics in percentages of whole milk sold to the state, without considering the scientifically based requirements for skim milk and the presence of young cattle in the farms continually leads to a shortage of it for meeting nonfat milk production quotas. Therefore, the time is now ripe for a review of these norms and also for a transition to supplying whole milk substitutes (WMS) to farms in place of skim milk.

In the 11th Five-Year Plan, 1,280,000 tons of dry and 3,500,000 tons of liquid WMS will be supplied for livestock needs, making it possible to increase whole milk reserves going for food purposes by 13 million tons and to obtain products worth approximately 3 billion rubles.

At many farms, however, WMS are fed to young livestock not instead of whole milk, but as a supplement to it. As a consequence of this, marketability of the milk at kolkhozes and sovkhozes does not increase proportionally to the equivalent amount of WMS received by them. Moreover, for the period since 1971 it even decreased--from 88 to 87 percent. Today there is no kind of statute whereby farms receiving WMS would be obliged to return an equivalent amount of milk to the state (1 ton of dry WMS is equal to 8 tons of whole milk).

In recent years, in a number of oblasts of the RSFSR, the Kazakh SSR, the Uzbek SSR and Belorussian SSR experience has been amassed in the construction of interkolkhoz shops for WMS production based on production cooperation between industrial enterprises and the kolkhozes and sovkhozes. More than 100 such shops will be built already in the current five-year plan, with total production capacity of 300 tons of WMS per shift. Moreover, similar enterprises are being built by industry funds and it is being planned to put them into operation during 1984-1985 with a total production capacity of 800 tons of product per shift. As a result, WMS supply to agriculture will double, which will make it possible to use more than 6 million tons of additional whole milk for food purposes. This will be a substantial contribution toward increasing milk reserves used for food purposes.

An important resource for increasing meat resources is more complete utilization in production of the blood and bones of slaughtered animals, and also of Category II subproducts. In the food program, it is planned to use them as much as possible in the production of sausage products, canned goods and other food products. In 1980, 599,000 tons of bones from slaughtered animals were used for food purposes, or 66.6 percent of its resources; in 1985 it is planned to increase the use of bones to 764,000 tons (76.4 percent), and by 1990 to 876,000 tons (81.3 percent of resources). Processing of the blood of slaughtered animals for food purposes will increase from 82,400 tons in 1980 to 130,000 tons in 1990, or by 58 percent. Reserves of Category II subproducts will be 1.4 million tons, from which 990,000 tons or 71 percent will be intended for the production of food products.

At present time, approximately 74 percent of slaughtered cattle reserves are processed at enterprises of the USSR Ministry of the Meat and Dairy Industry, the USSR Ministry of Agriculture, Tsentrrosoyuz and other departments, 67.7 percent of them at enterprises of USSR Ministry of the Meat and Dairy Industry. The

rest of the slaughtered animals, an average 10 million head of cattle, 23 million pigs and 24 million sheep and goats every year are killed at kolkhozes, sovkhozes and among the population without the necessary veterinary and laboratory control, resulting in large losses of endocrine and enzyme raw materials, nutritive blood, intestinal, horn and hoof raw materials, and also a reduction in quality and deterioration of hide and fur raw materials. According to calculations of the All-Union Scientific Research Institute of the Meat Industry, losses from each ton of cattle slaughtered directly at farms are about 40 rubles, reaching 200 million rubles per year throughout the entire country.

Cattle are slaughtered right at the farms because of shortcomings in the road network, because the sector is not provided with specialized motor vehicles and refrigerators for transporting cattle and meat, and also in a number of cases because of the distance of processing enterprises from the raw materials areas.

Business interests require a complete transition to cattle processing at technically equipped state enterprises, which must be made in the economic interest of the farms and the population, the organization of the delivery of cattle for processing from them, and after processing--of the meat and meat products to them, and also the rendering of meat storage and meat products production services.

The problem of the transition to industrial processing of all cattle can be solved by construction of large and medium processing volume enterprises but also of small refrigerated slaughterhouse--meat combine branches with a production capacity of 5-20 tons of meat output per shift. Cattle should be slaughtered in them for subsequent use of the finished product for interfarm needs, as well as for feed production, the drawing and storage of blood, endocrine and enzyme materials, etc. According to calculations, approximately 100 refrigerated slaughterhouses need to be built in remote regions of the RSFSR, in the Kazakh SSR and other union republics. Considering the limited nature of capital investments allocated for the development of the meat industry, refrigerated slaughterhouses could be built by enlisting the means of kolkhozes and sovkhozes, i.e., on the principle of production cooperation as this is practiced in the construction of shops for the production of whole milk substitutes for young farm livestock.

The transportation of cattle for processing and meat delivery to consumers can also be accomplished by the motor vehicle transport facilities of Sel'khoztekhnika and by transportation facilities for general use and for industry. In this regard it is advisable to create special transport services buros in remote regions which would take it upon themselves to transport customer-supplied cattle and deliver meat and meat products.

The proposed measures will bring agriculture and the processing industry even closer together in a united agroindustrial complex and will serve their mutually advantageous economic interests, an increase in the efficiency and quality in cattle processing and a reduction in losses.

Kolkhozes and sovkhozes, of course, have a decisive role in the improvement of agricultural production. In addition, the food program makes provision, everywhere that proper conditions exist, for the development of subsidiary enterprise and organization farms in order to meet the public catering needs of workers and

employees for meat, milk, vegetables and potatoes to the greatest degree possible and for the extensive use of the capacities of the private subsidiary plots of citizens and collective gardening and truck farming.

By the beginning of 1984, 1,200 subsidiary farms had been organized under the auspices of industrial enterprises of the meat and dairy industry. In 1983 they produced 8,400 tons of meat, 600 tons of milk, 2,300 tons of vegetables and 3,000 tons of potatoes. Within the USSR Minmyasomolprom system there are already subsidiary farms which are fully meeting the public catering requirement for meat. During 1984, the number of sector industrial enterprise subsidiary farms will reach 1,280.

In our opinion, the time is ripe for improving the cattle procurement system, which should begin with putting its very structure in order. At the present time, 81 percent of all cattle sold to the state come to the meat combines directly from the kolkhozes and sovkhozes, bypassing the middlemen—the procurements have not been centralized to their conclusions. They are carried out by the USSR Minmyasomolprom in the Ukraine SSR, the Belorussian SSR, the Kirghiz SSR, the Estonian SSR, the Latvian SSR, the Lithuanian SSR, the Georgian SSR, the Armenian SSR, the Azerbaijan SSR and in 42 RSFSR oblasts; they are also done by the USSR Ministry of Agriculture in the remaining oblasts, krays and autonomous republics of the RSFSR and in the other union republics except for the Moldavian SSR, where cattle buying is done by the Kolkhoz Council. The departmental separatism of cattle procurement organizations weakens control over fulfilling contractual agreements and does not provide timely delivery to the meat industry for processing. In our opinion it is advisable to centralize the procurement of cattle and poultry everywhere within the system of the USSR Minmyasomolprom (excluding poultry produced in poultry factories and farms directly supplying meat to the trade network and also cattle in regions where cattle procurement is accomplished through the Tsentrrosoyuz system). This will make it possible to reduce cattle procurement expenditures by 35-40 million rubles and to reduce the number of procurement personnel by approximately 3,000 men.

A great deal also needs to be done to improve the system of payment for cattle delivered. Two methods have been used in the country for several years already for the transfer and acceptance of cattle: up to 11 percent of all animals delivered are taken according to live weight and fatness, and up to 89 percent—according to the weight and quality of meat received after slaughtering. Analysis of these two methods conducted in 1981-1983 makes the following conclusions possible: the system of payment for cattle taken according to the weight and quality of the meat proved to be more effective, on the basis of all comparable indicators, than the system of payment used during cattle delivery and acceptance using live weight and fatness, regardless of the reception site; it makes it possible to evaluate the actual contribution of each farm to fulfillment of meat production slaughtered weight quotas as required by the program. Moreover, material and monetary expenditure per 1 ton of live weight when cattle are taken according to the amount and quality of meat is 2.33 rubles; when they are taken according to live weight and fatness, the expenditure is 5.19 rubles; time spent on these operations is 11.6 and 12.4 hours, respectively.

Thus, the establishment of a single system for the receiving and payment for cattle, according to weight and quality of the meat received after slaughter, and also planning the purchasing of cattle in slaughtered weight will more completely orient all links of the agroindustrial complex toward increasing the production of the end product, meat, and will have a significant economic effect.

In order to guarantee preservation of agricultural products, the USSR food program provides for the conversion to the acceptance of cattle and milk directly at the farms. Interdepartmental commissions for monitoring farm and enterprise preparation for conversion to the transfer and acceptance of cattle and milk at kolkhozes and sovkhozes have been established for this in republics, oblasts and rayons; targets for the acceptance volumes at the livestock production area are being approved. In the Minmyasomolproms of the Ukrainian SSR, the Belorussian SSR, the Kazakh SSR and the Moldavian SSR, 130 specialized motor pools have been established and measures are being implemented for the involvement of Goskomsel'khoztekhnika and general use specialized motor transport in the centralized transport of cattle and milk.

However, the limited allocation of transport means for these purposes and of capital investments to pay for them and the creation of a garage and repair base, and also the slow preparation of farms for local delivery of products (inadequate rates of construction of access routes and loading ramps and outfitting farms with milk refrigeration equipment) is slowing down the transition of cattle and milk transfer and acceptance to this progressive form. Thus, in 1983, by enlisting transportation facilities of Goskomsel'khoztekhnika and those for common use, cattle with a total live weight of 3.2 million tons, or 23 percent of the live weight of all cattle brought into meat industry enterprises, and 16.7 million tons of milk, or 25 percent of the total amount of milk supplied for industrial processing, were transported from the farms.

In our opinion, existing methods for evaluating milk quality used to be perfected. They are labor intensive, not very productive, require the use of corrosive chemical reagents, and do not allow automation of processes for determining quality parameters. Approximately 100,000 laboratory workers are involved in conducting analyses in the dairy industry and agriculture. More than 50,000 tons of whole milk a year is used for these purposes.

Serial production of a number of new fast-acting instruments for milk, quality control is being organized at the present time in the country, specifically a TsZHM-1 digital milk butyrometer, a BMTs-1 digital protein measuring device and other apparatus with productivity of up to 100 analyses per hour. Scientists of the Siberian Department of the USSR Academy of Sciences and the Altay branch of the All-Union Scientific Research Institute of the Butter and Cheese Making Industry are jointly developing a laser optic instrument for determining the level of fat and protein in milk (LAKAM). The adoption of new methods for determining the quality of milk makes it possible to significantly cut down the number of meters to reduce irreversible milk losses by approximately 30,000 tons and to improve labor conditions for the laboratory personnel.

At present, the fat content in milk is taken as the basic parameter of its quality when determining the price of the milk being bought; its protein content, one of the most valuable substances for the human organism, is not considered in determining the nutritional value of the milk. It would be advisable to pay attention to both the fat and protein content when determined the purchase price of milk.

Competition based on cooperative agreements of meat and dairy industry enterprises with kolkhozes and sovkhozes is filled with specific content. The organization of this work in Krasnodar Kray is worthy of attention. Here during the years of the 10th Five-Year Plan, 1,300 laboratory workers and 86 refrigeration mechanics were trained at dairy industry enterprises for work on farms. Seminars with livestock workers on increasing milk quality are held annually; rayon reviews of milk quality are held quarterly, where results of the fulfillment of socialist obligations of industry enterprises and farms are summarized. Mobile laboratories systematically monitor conditions for the reception, primary processing, storage, and transport of milk, along with observation of rules for its acceptance; they give methodical and practical aid to farms. Kray dairy industry enterprises installed more than 30 model-demonstration laboratories. The association planning and design buro put together planning estimate documentation for the construction of dairy laboratories near the farms and sent it to the farms. In preparing farms for the delivery of milk locally, enterprises help them with different materials, and laboratory and other equipment.

As a result of this, the marketability of milk at kray farms during 1982 was 89.2 percent as opposed to 88 percent for the RSFSR as a whole, and the percentage of first quality milk was 90.8 percent, whereas for the republic as a whole it was only 73 percent.

At the present time, there is no enterprise or subunit in the meat and dairy industry that has not disclosed existing reserves and capacities for adopting counterplans and obligations for increasing labor productivity, an increase in the technical level and efficiency of production, the strengthening of a system of economizing and reduction of labor expenditures in the production of a unit of output and of expenditure of fuel and energy resources and raw materials.

Industry workers are working energetically to fulfill plans for the construction of residential homes, children's preschool institutions, vocational and technical schools, and projects for communal and domestic purposes. In the agricultural enterprises of the USSR Minmyasomolprom system, cattle wintering is being successfully concluded, seeds and planting material are being brought up to high sowing conditions, and repair of agricultural machines is being completed. Workers at sovkhozes and enterprise subsidiary farms have taken on important commitments concerning increased yields for all agricultural crops and animal productivity.

Inspired by resolutions of the December (1983) CPSU Central Committee Plenum, meat and dairy industry workers in collaboration with agricultural workers and other partners in the agroindustrial complex are directing their efforts toward successful fulfillment of the plan and socialist commitment for 1984 and the USSR Food Program targets.

COPYRIGHT: Izdatel'stvo "Kolos", "Ekonomika sel'skogo khozyavstva", No 3, 1984

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### UKSSR FOOD INDUSTRY DEPUTY MINISTER ON ECONOMIC EXPERIMENT

Kiev PRAVDA UKRAINY in Russian 29 Feb 84 p 3

[Article in the column "Discipline of Deliveries: The Measure of an Enterprise's Responsibility and Honor: The Order and Its Execution. Look, Listen, Read"]

[Text] For two months the republic's food industry enterprises and electrical engineering and heavy and transport machine building enterprises have been working under experimental economic conditions. The party attaches great significance to carrying it through. This was noted at the February plenum of the CPSU Central Committee.

As people are aware, one of the experiment's most important features is that considerably more demands are being placed on enterprises to fulfill their contractual obligations. The amounts withheld and channeled into material incentive funds are now directly dependent upon the strict observance of these contractual obligations. This was precisely the theme of a round table discussion in the series "Discipline of Deliveries," which republic television, Ukrainian radio and the newspaper PRAVDA UKRAINY are jointly conducting. The following persons are participating in the discussion: republic Deputy Minister of the Food Industry N.T. Chubenko, Deputy Chairman of UkSSR Gosnab V.M. Shramenko, administrative director of UkSSR Ministry of Trade I.V. Glushkov, director of the Obolon' plant in Kiev L.M. Ryabchenyuk, deputy to the general director of the Rovenskiy Bread Association V.V. Nagornyuk.

N.T. CHUBENKO: Sector enterprises have been working under experimental conditions for two months. Needless to say, this is a short period of time for making final conclusions. But we can say some things about certain results of the new management system. Specifically, in January, production volume throughout the sectors increased on the average by ten percent. Contractual obligations for deliveries were virtually completely fulfilled--and for all product lines. According to current data, the pace is being maintained in February as well. For the sake of comparison I will say that a yearly increase in production volume of only 4 percent had been planned for the sector. The results achieved clearly indicate that enterprises have many resources for increasing production and the experiment is energetically bringing them into play. I have to say this is just what we were counting on while preparing to work under these new conditions. After assessing their possibilities, many

collectives took on greater obligations. Today the ministry calculates that its overall audit figures have increased by 320 million rubles. Additional food products worth precisely this sum will be received. We see this as being our main task in the experiment.

L.M. RYABCHENYUK: I want to point out that now the interests of the purchaser will be taken into consideration more fully and in a different way. Suppose that, due to a misreading of the demand--though right now they are more often right, and being wrong is the exception--our partner refuses some of our output for a period of time. Now we have received legal authorization to enter into a temporary agreement with another partner. And what we ship him is included in our delivery plan. In the last analysis, the populace's demand for a particular product is better met. And the enterprise is operating more closely to full capacity.

Nevertheless, difficulties with deliveries are common. Not all of our associated enterprises have felt the responsibility that the experiment places upon us and them. We are having problems getting the containers produced by the Peskovskiy glass plant. There is not enough dextrin, which enterprises in Chernigovskaya Oblast supply to us. There are not enough bases that we use during mechanized loading of products. Literally right next door to us there is an enterprise that produces these bases but it belongs to another department. That's why we need to bring these bases in from Zakarpatsya, Izmail and even Arkhangelsk. Is it really all that difficult to straighten this problem out?

N.T. CHUBENKO: As I see it, we are talking about an enterprise under the jurisdiction of the republic Ministry of the Fruit and Vegetable Industry. If this enterprise has the capacity to accept our order, then I think the republic Gosplan and the Ministry of the Fruit and Vegetable Industry will meet us half way.

CORRESPONDENT: The Obolon' plant has a lot of experience cooperating with associated enterprises, doesn't it?

L.M. RYABCHENYUK: Today we're satisfied with the relationship we're developing with the transport workers. With their active help we were able to be the first enterprise in the country's food industry to mechanize all processes of loading and unloading basic products and packaging materials. Now people turn to us to gain from our experience.

CORRESPONDENT: That sort of mutual understanding is not always achieved. It is no accident that, in the words of the director of the Obolon' plant, people are anxious. It's understandable. Today, in their deliveries, food industry workers are rigidly bound by the conditions of the experiment, and you can't say that about their partners. What is to be done here, Nikolay Terentevich?

N.T. CHUBENKO: The problem, as they say, is a real one. However, you can't say it is severe. The corresponding governmental decrees adopted in this regard have considerably raised the level of discipline in deliveries, to which, the Cholon' plant's operation bears special witness. Here, we were able to find a common language not only with the transport workers, but with other partners as well. Moreover, today leaders of the economy must take into account the fact that the experiment will end in two years. After this period is up, all enterprises will be at equal levels.

V.M. SHRAMENKO: I want to add that the republic Gossnab has prepared numerous documents ordering that material and technical resources be guaranteed to enterprises and associations that have shifted over to working under the experimental conditions. In particular, our main territorial administrative offices have been given the authority, when necessary, to decide to accelerate delivery schedules of products to enterprises like these. Also, Glavsnabs and oblsnabyts have been assigned the task of organizing sub-sets within themselves of products needed by this or that enterprise in a required assortment. To implement effective control over deliveries of raw materials and materials they have now been given a special cipher: "Minpishcheprom." We also are able to get prompt information as to the kind of products, the quality, and whom they are for. Minpishcheprom enterprises located within the area of activity of various territorial administrative offices are also authorized to exchange the products they manufacture.

Right now we're paying a lot of attention to so-called guaranteed over-all supply of Minishcheprom enterprises. In this we see the possibility of considerably improving their supply of raw materials. We plan to finish this work completely in the first half of the year.

CORRESPONDENT: For the republic food industry workers it's apparently impossible to conduct the experiment successfully unless relations with the trading organizations are in good shape....

V.V. NAGORNYUK: Our sad experience attests to the fact that trade needs to study demand more thoroughly. At the end of last year, 540 tons of macaroni products produced in Kiev and Lvov were put into the Rovno and oblast trade network. And all the while this is happening we could successfully supply our region with these products ourselves. Because of this lack of coordination, our combine's output sits in warehouses and we are forced to cut back production.

I.V. GLUSHKOV: Of course, the fact is annoying. We are taking measures to correct the problem here. But on the whole I have to say that our relations with food industry enterprises are strengthening noticeably. In connection with the experiment, demands on specialists of all our subdivisions have increased considerably regarding orders for goods, defining their volume and variety, assuring their timely dispatch. We have started to meet with food industry workers more often in regard to specifying orders for food products and the geography of their output. Our actions are determined by order prepared jointly with the Ministry of the Food Industry. We can already see the return now.

The roundtable discussion was conducted by journalists of Ukrainian radio, republic television and PRAVDA UKRAINY.

**Editorial Note:** The topic of deliveries under conditions of the economic experiment will be reported in depth in the next broadcast in the series "Discipline of Deliveries," that will take place on March 1 at 12:10 PM on Ukrainian Radio and at 7:30 PM on Republic Television.

12602  
CSO: 1827/141

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### MINISTRY OFFICIALS ON MODERNIZING SHOE INDUSTRY

Moscow PLANOVYE KHOZYAYSTVO in Russian No 4, Apr 84 pp 39-47

[Interview with G. I. Kurganov, deputy minister of USSR Minlegpishchemash (Ministry of Machine Building for Light and Food Industry and Household Appliances); A. A. Biryukov, deputy minister of USSR Minlegprom (Ministry of Light Industry); and S. Ye. Sarukhanov, deputy minister of USSR Mintorg (Ministry of Trade), by journal editors: "Interviews in the Ministry: Problems of Improving Shoe Quality"; date and place not specified; passages rendered in all capital letters printed in boldface in source]

[Text] The CPSU Central Committee Politburo deemed it necessary to draw up a comprehensive program for development of consumer goods production and a system of consumer services encompassing all aspects of a Soviet citizen's life as part of the five-year plan for 1986-1990 and the Basic Directions of the USSR's Economic and Social Development for the Long Term.

In this regard the journal's editors asked G. I. Kurganov, deputy minister of USSR Minlegpishchemash, A. A. Biryukov, deputy minister of USSR Minlegprom, and S. Ye. Sarukhanov, deputy minister of USSR Mintorg, to tell about measures aimed at improving consumer goods production.

[Question] The country produces 745 million pairs of leather shoes annually. Appropriate equipment is required to provide such a great volume. HOW IS THE SECTOR SATISFYING THE SHOE INDUSTRY'S NEEDS WITH NECESSARY MACHINE TOOLS AND MACHINES?

Shoes, like many other consumer goods, experience the great effect of fashion. HOW IS THE SECTOR HELPING NEW MODELS OF SHOES TO BE PLACED IN PRODUCTION FASTER, WHAT ARE THE DIFFICULTIES HERE, AND WHAT ARE THE POSSIBLE WAYS TO RESOLVE THEM?

WHAT PROBLEMS FACE THE MINISTRY IN THE PRODUCTION OF NEW EQUIPMENT IN THE UPCOMING FIVE-YEAR PLAN?

G. I. KURGANOV. Highly efficient equipment is the basis for light industry's progress. The draft five-year plan envisaged an increase in the volume of

leather shoe production by 86 million pairs in 1985 as compared with 1980. By 1995 it should be 898 million pairs on the whole, which will require the appropriate equipment to be provided.

Minlegpishchemash enterprises are consistently improving the technical level of manufactured equipment. The Leningrad Vpered Machinebuilding Association, the Kozhobuv'mash Production Association and the Soyuzlegmash All-Union Production Association of Minlegpishchemash are the primary suppliers of this equipment for light industry. In 1983 more than 30 percent of machines for the leather-shoe industry was given the state emblem of quality.

Cutting production equipment (cutting presses of different kinds and designs) presently comprises the basis for the manufacture of products of the leather-shoe industry. An improvement in this equipment involved a shift to automatic programmed cutting and to the manufacturing method of cutting using noncontact methods (with a laser beam or high-pressure water jet). The first LURM-1600 unit in light industry for programmed cutting of shoe and leather haberdashery materials has been placed in series production. The RRK-1600 robotized cutting system is being developed, and it also will be equipped with an automated system.

The cutting unit accomplishes automatic material feed, cutting, removal, and set-making of cut pieces and permits an increase in percentage of the material's utilization, an increase in productivity and easier working conditions.

Pre-processing of parts and assemblies of the lower part of the shoe is one of the progressive directions of shoe technology. This is why machinebuilders are developing modern units for processing flat and profiled soles and developing automated sets of equipment for processing the lower parts of the shoe. To this end it is necessary to improve the versatility of equipment being developed, expand its technological capabilities, reduce the material-intensiveness and energy-intensiveness of the new equipment, develop new machines and units with automatic loading and unloading of pieces, and automate the inter-operation relationships.

Processing of upper parts of the shoe is the least automated portion of the entire manufacturing process, connected with a large number of pieces of differing configuration and high demands on the quality of their processing (precision, external appearance). Only the application of electronics and programmed control will permit a significant automation of this sector of the production process in the near future.

The manufacture of shoes by diverse methods of attachment and use of various shoe materials for the upper and lower parts require an improvement in shaping of the unfinished work piece on the last and the performance of preliminary assembly operations. In particular, work is being done in the subsector to develop new kinds of equipment for vacuum processing of the unfinished shoe to improving its holding of shape, to improve its quality and to intensify the processes of moistening the unfinished work piece and moisture-heat treatment of the shoe. Preshaping of the unfinished work pieces has a great effect on subsequent stretching and tightening operations and in the final account on shoe quality.

Equipment for stretching and tightening operations is the basic equipment in the industrial process of making shoes. The introduction of new thermoplastic materials and quick-setting thermoplastic cements in the shoe industry permitted a significant improvement in it. For example, the use of machines with automatic supply of thermoplastic cement to the tightening zone led to an increase in labor productivity by almost twofold.

The Minlegpishchemash is constantly working to improve highly productive unitized, semiautomatic and automatic equipment which leads to a sharp increase in labor productivity and an improvement in materials utilization.

The PLK-3-0 semiautomatic line was developed in ministry enterprises to manufacture shoes by the cementing method for the lower part, on which 11 operations are accomplished. The line is manned by three operators and the line has an estimated productivity of 120 pairs per hour. It is possible to use it to process shoes of eight contiguous sizes of the same fashion without changing workers. These lines represent the highest achievement in shoe production automation. Their introduction fundamentally changed shoemakers' work and permitted freeing a considerable number of workers in labor-intensive operations.

There are interesting equipment developments being carried on in shoe production. A unit developed by the Orel NIIlegmash [expansion unknown] for applying a coat of dye to leather in an electrostatic field meets sanitary-hygienic demands and provides for the use of waste-free technology.

The basic problem facing Minlegpishchemash in upcoming years is to satisfy the needs of light industry enterprises for equipment. To this end it is planned to increase production capacities at six plants of Minlegpishchemash producing leather-shoe equipment by 15 million rubles and to introduce 97 special and standard-unit machine tools, 6 mechanized flow lines, 83 automatic and semi-automatic metal cutters and 55 machine tools with ChPU [numerical program control]; to place 57 kinds of new equipment in operation; to modernize 55 kinds of equipment; and to achieve an increase in products with the superior quality category to 39 descriptions.

An increase in production and an improvement in the quality of machines also depends on the development of plant specialization. This work already is being done at Minlegpishchemash enterprises. In particular the Leningrad Vpered Machinebuilding Association, specializing chiefly in the production of shoe equipment, was separated from and developed on the basis of the Leningrad Machinebuilding Association imeni Karl Marks.

To provide the shoe industry with highly productive equipment, USSR Minlegpishchemash and Minlegprom together developed a set of machines, units and flow lines for 1981-1985 in the area of equipment development for the shoe industry, including 192 descriptions from which the most important types of machines were identified which permit a sharp improvement in the level of industrial equipment. Production will be mastered for improved sets of stretching-tightening equipment with automatic supply of thermoplastic cement.

automatic cutting of rolled and layered material, for making soles and insole assemblies, and so on.

Machinebuilders are being given a comprehensive task in the future for expanding the equipment mix, which will contribute to further satisfaction of growing consumer needs for fashionable, high-quality footwear. Accomplishment of this task depends largely on related entities, and above all on enterprises and organizations of Mirpribor [Ministry of Instrument Making, Automation Equipment, and Control Systems], Minstankoprom [Ministry of the Machine Tool and Tool Building Industry] and USSR Gossnab, which have to expand the products list and increase production volumes for pneumatic and hydraulic equipment used in the sector. In addition, Minneftekhimprom [Ministry of the Petroleum Refining and Petrochemical Industry] and Minkhimprom [Ministry of the Chemical Industry] must organize specialized productions for manufacturing industrial rubber articles for leather-shoe equipment, and Minchermet [Ministry of Ferrous Metallurgy] must arrange production of bimetallic steel bands for making shaving machine blades.

Implementation of the planned steps will permit a considerable increase in the output of necessary leather-shoe equipment in the 12th Five-Year Plan.

[Question] At the present time special attention is being given to strengthening economic ties of suppliers and consumers. HOW IS THIS WORK BEING DONE BY SHOE ENTERPRISES, WHAT ARE THE DIFFICULTIES HERE, AND WHAT STILL HAS TO BE RESOLVED?

WHAT TASKS HAVE BEEN SET FOR THE SHOE INDUSTRY IN THE 12TH FIVE-YEAR PLAN AND WHERE MUST SPECIAL ATTENTION BE GIVEN?

A. A. BIRYUKOV. Leather shoes are produced by enterprises of light industry (93.3 percent), local industry (3.1 percent), and personal consumer services (2.6 percent) and by other departments. In 1984 it is planned to manufacture 757.4 million pairs of shoes, including 705 million pairs in enterprises of USSR Minlegprom (690.8 million in 1983), which comprises 2.8 pairs per capita.

In the 9th Five-Year Plan the increase in capacities in the shoe industry was 9.5 million pairs, it was 15.6 million pairs in the 10th Five-Year Plan, and it has been 6.6 million pairs for three years of the 11th Five-Year Plan.

Trade is experiencing a shortage of chrome-leather, fashionable, athletic and young people's shoes and comfortable shoes for the elderly. This is explained primarily by the fact that capital investments for development of the shoe industry have been allocated in lesser amounts than was envisaged in the five-year plans. In addition, serious reasons holding back the sector's development were caused by difficulties in material-technical supply and by the great personnel turnover (18-20 percent). As a result the sector undersupplied some 50 million pairs of shoes annually.

Footwear is a complex product (from the standpoint of making sets). Some 30 sectors and departments take part in manufacturing shoes. Therefore problems

of the interworking of related entities must be resolved in a new way in expanding the assortment and improving the quality of footwear.

The shoe industry constantly experiences a shortage of modern industrial equipment, the demand for which is satisfied only by 53 percent, and by 59 percent according to the product mix.

There have been no arrangements for the production of sets of equipment for making shoes with cement and welt methods of attachment, sets of stretching-tightening equipment, automatic presses for cutting rolled and sheet materials, machines for folding the edges of the shoe's upper parts with the delivery of thermocement, sewing machines with automatic elements and so on. All this has a negative effect on labor productivity and shoe quality.

Many kinds of equipment being produced by Minlegpishchemash enterprises are not up to the modern technical level, which considerably hampers conduct of the sector's necessary retooling.

The quality and consumer features of footwear are dropping substantially due to insufficient development of related sectors of industry producing articles and fabrics for shoe production. In 1983 the sector was provided with 73 percent synthetic leathers, 34.2 percent of welt, 44 percent of polyvinyl chloride plastic compound for casting, 75 percent of finishing materials and 88 percent of oiling materials. A shortage is felt in modern chemical materials. There have been no arrangements for producing polyurethane and thermoplasts for manufacturing the lower parts of shoes. Of the 110 descriptions of chemical materials being used in producing high-quality leathers, ministries of chemical sectors of industry produce only 44. The poor quality of raw leather supplied by enterprises of Tsentrrosoyuz, Minmyasomolprom [Ministry of the Meat and Dairy Industry] and USSR Minzag [Ministry of Procurement] also has a negative effect on the quality of goods.

The Minlegprom drew up and carried out in practice a large set of measures aimed at developing the leather-shoe industry during 1983-1985, including an expansion of shoe assortment and quality.

Work is being done for retooling and reconstructing existing enterprises, and above all with CEMA member nations on a contractual basis. During 1983-1985 it is planned to retool eight leather-shoe enterprises with the help of the VNR [Hungarian People's Republic], the CSSR and the GDR, which will permit development of fundamentally new kinds of footwear enjoying a higher consumer demand.

Plants are being built with the participation of Finland and Yugoslavia. The ministry shifted from purchasing scattered import materials for footwear to purchasing articles forming complete sets for specific kinds of high-quality footwear.

A new procedure of working with related entities has been developed and approved, aimed at the accelerated introduction of new kinds of raw materials, supplies, and articles made from them.

A broad, comprehensive standardization program is being accomplished which provides for developing basic standards: "Everyday Shoes," "Fashionable Shoes," "Children's Shoes," "Shoes for the Elderly" and "Shoes with Uppers of Artificial and Synthetic Leathers."

The work of the NII [scientific research institute], ODMO [All-Union House of Clothing Models] and republic houses of shoe models is being reorganized. Modeling has begun to be done separately depending on age group, purpose and seasonal nature of the shoes, with the development of corresponding parts making a set and on the basis of actual kinds of raw materials and supplies. A statute was drawn up on raising the responsibility of modellers and on reinforcing authors' supervision over conformity of the developed models to the articles put out in mass production.

Ties with trade organizations are improving. The network of firm shoe sales stores is being expanded for maximum satisfaction of trade orders and for the study and shaping of consumer demand. These stores also will permit a determination of rational price, markup for novelty, and the number of individual kinds and styles of shoes produced.

The Statute on the Procedure for Establishing Contractual Prices on New Lots of Goods and Especially Fashionable Articles was adopted for faster assimilation of new kinds of goods and reduced time periods from their development to mass production. Approval of the model, technical documentation and price are accomplished by the enterprise without coordination with the ministry, USSR Gosstandart [State Committee for Standards], or USSR Goskomtsen [State Committee on Prices].

Assortment renewal in the shoe industry reached 65.7 percent as a result of the steps taken. Each year 120-130 new last fashions and more than 50 heel fashions are introduced. In 1983 1,028.9 million rubles of articles with the "N" symbol were produced, or 28.3 percent of the overall gross production volume. The manufacture of shoes with the state emblem of quality increased and made up more than 25 percent of the total volume of certified products. Complaints dropped.

In 1983 compared with 1980 the production of boots and half-boots rose by 7.39 million pairs, that of children's dress shoes of improved design by 2.1 million pairs, shoes from supple leathers by 9.9 million pairs, and athletic running and training shoes by 7.5 times.

The production of basically new kinds of shoes has been arranged: young people's boots; shoes with heels of thermoelastoplast; boots with tops made of new kinds of synthetic and artificial leathers, and so on.

In 1984 a further increase is planned in the production of shoes with a higher consumer demand: athletic shoes by 13 percent, shoes with uppers made of supple leathers by 7.8 percent, shoes with uppers made of synthetic leathers by 6.9 percent, shoes with heels made of polyurethane by 4.7 percent, fashionable shoes by 2.1 percent, thermal shoes with an artificial fur lining by 2.4

percent, boots and half-boots by 2.3 percent, and running shoes by 36.3 percent. At the present time USSR Minlegprom has prepared proposals for development of the leather-shoe industry and related industry sectors for the 12th Five-Year Plan.

The reconstruction and retooling of existing enterprises, with production outfitted with the latest highly productive equipment, is planned in this connection. This will permit a more effective use of capital investments. A build-up in capacities in the leather-shoe sector by the construction of new enterprises will be carried out by regions having labor and raw-material resources and with consideration of a more even distribution of enterprises across the country's territory.

The planned fundamental reorganization in shoe manufacturing technology and the most rapid transition by the shoe industry from the multi-operation, labor-intensive, semimanual assembly of the upper and lower parts of shoes to single-process methods by assemblies with the use of semiautomatic lines and casting units require corresponding industrial equipment and modern kinds of chemical raw materials and supplies.

With consideration of the limited raw-material resources for producing natural leather goods, it is planned to decide in the near future the question of setting up capacities in the country to produce a new type of synthetic leathers.

Implementation of this program demands in turn a comprehensive resolution of problems of developing related sectors of industry including the development and series production of new highly productive equipment, modern chemicals and parts making up complete sets.

Conditions must be created for the suppliers of materials and parts making up complete sets under which they can rapidly reorganize their productions in conformity with the shoe industry's needs, their responsibility must be increased for the quality of raw materials, supplies and parts delivered, and there must be a selection of suppliers based on a consideration of the assortment produced by shoe enterprises and the distance between the consumer and supplier. Implementation of these proposals will permit fuller satisfaction of consumer needs for various kinds of high-quality footwear.

[Question] One often hears from consumers at the present time that it is rather difficult to buy good, comfortable shoes. WHAT STEPS MUST BE TAKEN IN THE PRODUCTION AND TRADE LINE TO RESOLVE THE PROBLEM OF SATISFYING THE DEMAND FOR SHOES?

The shoes produced by a number of the country's enterprises are criticized rather often both by trade workers and the industrial workers themselves. WHAT IS BEING DONE NOW TO IMPROVE THE QUALITY OF FOOTWEAR BY THE USSR MINISTRY OF TRADE?

All-union trade fairs are called upon to play a large part in a fuller satisfaction of consumer demand for footwear. HOW SUCCESSFULLY ARE THEY PERFORMING

THEIR FUNCTIONS IN DETERMINING ORDERS FOR SHOES, HOW ARE THE CONTRACTS THEY CONCLUDE BEING IMPLEMENTED, AND ARE THE SUPPLIERS ALWAYS FULFILLING THE OBLIGATIONS TO THE TRADE WHICH THEY ASSUME?

WHAT TASKS HAVE TO BE ACCOMPLISHED BY TRADE ORGANIZATIONS IN THE 12TH FIVE-YEAR PLAN?

S. YE. SARUKHANOV. More and more often lately the press has been covering questions involving the production and trade of high-quality, comfortable, fashionable shoes. This is not by chance since shoe assortment and quality are not meeting consumer demands. For a number of years consumer demand for practically all kinds of shoes has not been fully satisfied. The reason for this situation is that the industry lately has not been fully satisfying the orders of trade organizations; it is regularly underdelivering both footwear as a whole and for individual selection groups; and it is not fulfilling the established planning quotas. Over the last six years alone the underfulfillment of the production plan by USSR Minlegprom enterprises has been more than 50 million pairs, and specifically those shoes for which there is a higher consumer demand.

In the pursuit of volume indicators, some enterprises are not observing contractual obligations and are producing shoes at their own discretion which have not been ordered by the trade organizations and, as a rule, in a more simplified assortment (lightweight, household), or they manufacture more shoes than ordered which are not in demand. As a result high-quality, fashionable, elegant shoes are being produced in volumes that are extremely insufficient, which leads to a narrowing of the assortment and the delivery to stores of footwear of the same types.

This availability of goods in the stores creates the impression that the trade's needs for footwear are being fully satisfied; meanwhile, USSR Mintorg orders are being met only by 70 percent.

The situation is further complicated by the fact that a considerable amount of the footwear produced is of poor quality, it violates standards and specifications, and crude production defects are present. Each year some nine million pairs of leather shoes are returned to enterprises for correction or transferred to a lower grade by wholesale facilities alone. Just during 1983 union republic state trade inspectorates curtailed acceptance and instituted special conditions at shoe enterprises more than 200 times due to poor consumer features, deviations from the requirements of standards, and other no less important reasons.

There was special emphasis on high demands placed on quality and on an expansion of the consumer goods assortment at the 26th CPSU Congress and subsequent plenums and in CPSU Central Committee and USSR Council of Ministers decrees involving a further increase in consumer goods production.

Trade organizations and enterprises have done some work in this respect together with the industry. The goods of such enterprises as the Moscow Zarya

Association and the Volgograd and Mogilev shoe factories concede nothing to individual foreign models and are in demand by consumers.

The country also is familiar with the experience of the Chelyabinsk Trade Center, which dispersed multiple brigades of outstanding quality to many trade enterprises and they supported the manufacture and sale of high-quality products in close cooperation between trade and the industry. Major retail organizations and enterprises of Moscow, Minsk, Kiev, Riga and Kishinev are operating under this same principle. One of the main tasks--providing the population with consumer goods--is being resolved in the new form of relationships between trade and industry. To this end there must be a reinforcement of personal responsibility for a violation of production and industrial discipline and for the output of poor-quality products, and the strict observance of contracts for assortment and quality.

Product quality also is affected by the work of technical control divisions (OTK's) where quality often is inflated and proper product control is not exercised. OTK workers usually are subordinate to the manufacturing enterprise's management and have a certain material dependency.

An opinion about making changes to the production control system and resubordinating them to USSR Gosstandart has been expressed repeatedly in the proposals of various ministries and departments and in the economic literature. To this day, however, the question remains open. Each year trade enterprises have to reinforce a supervisory quality check of shoes at the enterprises themselves, actually duplicating the work of technical control divisions.

It seems to us that an improvement in economic ties between industry and trade requires obligatoriness and strict observance of concluded delivery contracts on both sides and it has to include a set of measures to improve shoe quality. The economic contract is a document which binds the shop and the store and is intended above all to facilitate rhythmic work of production and trade, fuller use of available reserves, and an improvement in the supply to consumers of goods of a high quality and assortment. Considering today's demands, however, its mechanism and effectiveness cannot be considered perfect.

In the set of measures for strengthening discipline, the December 1983 CPSU Central Committee Plenum attached great importance to the CPSU CC and USSR Council of Ministers decree on observing contractual obligations for product deliveries. At all levels of trade and industry management, therefore, the demands placed on fulfilling contracts and orders have been increased of late, and wages have been made directly dependent on it. But it has not yet been possible to avoid disruptions in the fulfillment of contract discipline because planning entities consider the fulfillment of contracts for product deliveries not for the entire product mix, but for certain items. A situation takes shape where an enterprise which has not fulfilled obligations under a contract receives bonuses, which leads to underdelivery of necessary goods to the consumers.

In our opinion there must be a revision of economic controls and incentives and we must make the basic indicator of enterprises' economic activity their

fulfillment of goods deliveries to trade in accordance with the contract for the entire product mix, within established time periods, and of the appropriate quality.

The country presently is conducting an economic experiment for expanding rights and reinforcing responsibility of enterprises for the results of economic activity. The BESSR Ministry of Light Industry also is participating in it. It would appear that this experiment will help develop necessary conditions for mandatory fulfillment of contracts for the entire product mix by enterprises of union republic ministries of light industry and it will be aimed at implementing the main social task--maximum satisfaction of consumer demand for necessary goods.

Purchase of an assortment of articles with consideration of consumer demand and the conclusion of delivery contracts for the upcoming period are accomplished at republic and inter-republic wholesale trade fairs. USSR Mintorg gives much attention to their organization and the procedure for holding them. A unified statute on holding wholesale fairs has been approved and the procedure by which they are conducted until production plans are approved has been fixed. Work has been arranged for a maximum coordination of production plans and the delivery contract, and their role in planning has been increased. Based on results of contracts concluded at the fairs, appropriate management entities of industry and trade make necessary updates to the production and distribution plans (or draft plans) under the established procedure, as well as to plans for inter-republic goods deliveries. All this has allowed a certain improvement in the effectiveness of trade fairs.

The existing procedure for preparing industrial models of shoes for sale at wholesale trade fairs for the upcoming period considerably hampers trade organizations in perfecting the work of purchasing the necessary assortment of footwear. As a rule, the preparation of industrial sets drags on right up until the beginning of the wholesale trade fairs and there is practically no stage of their preliminary, prefair reviews by trade workers for making necessary changes and additions.

The demand for high-quality shoes varying in kinds and purpose grows along with an increase in the population's welfare. There is an increasingly acute demand for shoes meeting the requirements of population age groups (children, young people, teenagers, the elderly). The assortment of shoes produced by industry is not meeting these specific changes in demand. As a result the trade organizations refuse to buy certain kinds of shoes from industry despite a shortage in overall volume. At the 1984 inter-republic trade fair for wholesale sales of shoes, there were 10.6 million pairs of leather shoes valued at more than 200 million rubles, including 1.3 million pairs of chrome leather shoes, which were not purchased.

The modeling organizations, which have to orient production toward the fullest satisfaction of all consumer groups for comfortable and fashionable shoes, can have a great influence on the conformity of the assortment of articles put out by industry to consumer demand. All-union and republic model houses do not

contribute to precise coordination of the enterprises' work, however, which leads to nonconformity of the esthetic level of manufactured shoes to consumer demands.

In addition, when models are reviewed at handicraft-technical councils of union republic ministries of light industry, trade representatives are given an insufficient role in them. It would appear that the trade workers' role in handicraft-technical councils must be increased and they must be given the right to have a deciding voice.

There is also an urgent need to make appropriate changes to the system for planning production and deliveries of leather shoes, to expand the list of products planned in physical and cost indicators, and to establish material incentive of industrial enterprises for making changes to approved production plans for volume, assortment and dates of delivery without preliminary coordination with corresponding industry and trade entities. Every instance of a violation of approved production plans must entail specific penalty sanctions and the denial of bonus additions to managers.

Nonconformity of the shoe assortment produced by light industry enterprises and their underdelivery in marketable stocks create difficulties in meeting the consumer demand with necessary goods. This also depends considerably on the trade workers, who are not showing proper persistence, exactingness and principle toward industry in matters of fulfilling production plans, observing contract discipline, improving and expanding the assortment, and raising the quality of consumer goods.

Trade must be more effective in influencing the development of production plans and it must not accept poor quality articles which do not meet contemporary consumer demands. We must ensure that trade orders become the law for industry.

There are many unresolved problems which must be resolved without delay by perfecting work style and displaying genuine efficiency, management and execution in every sector and by showing mutual responsibility in order to bring consumer interest to the fore. Fulfillment of the main task of the 11th Five-Year Plan--a steady growth in the Soviet people's welfare--depends largely on this.

COPYRIGHT: Izdatel'stvo "Ekonomika". "Planovoye khozyavstvo". 1984.

6904

CSO: 1827/1

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### SUGAR INDUSTRY ACHIEVEMENTS, SHORTCOMINGS IN 1983

Moscow SAKHARNAYA PROMYSHLENNOST' in Russian No 2, Feb 84 pp 2-5

[Article: "Carrying Out Raw Sugar Processing in an Organized Manner"]

[Text] The sugar industry workers, putting the resolutions of the 26th CPSU Congress and the subsequent plenums of the CPSU Central Committee into practice, are developing on an even broader scale the socialist competition to increase the volume of production of food products and continually raise the well-being of the Soviet people.

Along with the production of sugar from sugar beets, the production of sugar from raw sugar cane purchased through import increased in the country somewhat last year. This year it will amount to about 30 percent of the total quantity of granulated sugar manufactured.

The sugar industry enterprises attained considerable success in increasing the efficiency of production in processing raw sugar. Whereas in 1970 the sugar yield of the industry as a whole amounted to 92.78 percent of the total amount of raw products processed, in 1983 it reached 95.36 percent or increased by 2.58 percent with the result that about 120,000 additional tons of white sugar were produced. A great deal of work done at the sugar plants to curtail losses of white sugar during loading and unloading and transportation and warehouse operations and to decrease the loss of sugar during production and the content of sugar in molasses contributed to this.

At the same time reserves are still on hand in the industry to raise the efficiency of production and increase the volumes of output of production.

The General Secretary of the CPSU Central Committee Yu. V. Andropov in a statement at the November (1982) Plenum of the CPSU Central Committee said: "We have at our disposal large reserves in the national economy. It is necessary to find these reserves in accelerating scientific-technical progress and in introducing scientific advances and advanced know-how into production quickly and on a wide scale."

These directives apply fully to the workers of the sugar industry.

The experience of the enterpr. s of the Belorussian SSR sugar industry, which has had the highest yield of sugar processed from raw sugar cane in the country, merits thorough study and wide dissemination. Furthermore, it is

necessary to notice that all enterprises are working with high-economic indicators: the Gorodeya Sugar Plant in 1983 had a sugar yield processed from raw sugar which amount to 96.29 percent, losses of sugar during production amounted to 0.90 percent, and sugar content in molasses amounted to 0.85 percent; at the Skidel Sugar Plant the yield amounted to 96.28, 0.98, and 0.85 percent respectively; at the Zhabinkovskiy Sugar Plant the yield amounted to 96.16, 0.93, and 0.82 percent respectively; and at the Slutskiy Sugar Plant the yield amounted to 96.02, 0.84 and 0.85 percent respectively.

Many other plants also operated with a high yield of sugar. The Zbarazhskiy Sugar Plant (96.02 percent), the Kozhanka Sugar Plant (95.92 percent), the Malorossiyskiy Sugar Plant (95.92 percent), the Gorodok No 2 Sugar Plant (95.87 percent), the Leningrad Sugar Plant (95.85 percent), the Pervukhinskiy (95.76 percent), Nosovskiy (95.74 percent), the Pavlovsk and Kotovsk Sugar Plants (95.72 percent each) are foremost among them.

The high efficiency of production at the advanced enterprises was insured above all as a result of: timely and high quality repair of equipment; elimination of the lack of balance in productivity of equipment of particular types; improvement of existing production technology; struggle against losses; introduction of advanced methods of production and labor organization and high level of skill; strengthening of labor and technological discipline and raising the responsibility of workers and engineering-technical and supervising personnel for the assigned work.

Unfortunately, the work know-how of the leading enterprises is still not used fully by many sugar plants.

There are cases where sugar plants which are inadequately prepared process raw sugar with the result that they operate with low technical-economic indicators.

At a number of sugar plants of the Ministry of Food Industry of the Kazakh SSR personnel were not trained during preparation for the raw sugar processing season and the planned organizational, technical, and technological measures were not completely carried out, which led to an intolerably low sugar yield. At the Alakulskiy Sugar Plant in 1983 it amounted to only 92.79 percent, and sugar losses in production amounted to 1.69 percent and sugar content in molasses amounted to 2.27 percent of the whole amount of raw sugar processed; at the Karabulak Sugar Plant the yield amounted to 94.04, 1.02, and 1.64 percent respectively and at the Dzhambul Plant it amounted to 94.48, 1.12, and 1.34 percent respectively.

An unsatisfactory situation also took shape in the ministries of food industry of other beet-growing republics. Last year preparation for raw sugar processing was not satisfactory and the Gyrbovskiy Sugar Plant (Moldavian SSR), the Kapsukas Plant (Lithuanian SSR), Kaindy Plant (Kirghiz SSR), Vladimir-Volynskiy Plant (Ukrainian SSR), the Cheryanka, Bolshevik, Rakityanka, Khokholskiy imeni Kuibyshev, Kolpyanskiy, and Georgiu-Dezi Sugar Plants (RSFSR) operated below their potentials. The sugar yield at these plants amounted to 94.2-94.9 percent.

If you consider that all enterprises of the industry processed raw sugar of the same quality, it is possible to easily calculate how much less white sugar each inadequately operating sugar plant produced and what reserves each production association and sugar industry as a whole have for increasing the country's production of sugar from raw sugar.

It is necessary for all directors of ministries of food industry of beet-producing union republics, associations and enterprises of the sugar industry to take proper steps so that all available reserves to increase the production of the product are used in the current year.

In a number of sugar plants, especially in the enterprises of the ministries of food industry of the RSFSR, Kazakh SSR, and Kirghiz SSR, matters of the expansion of the front for unloading raw sugar received from railroad cars and for ensuring the unloading of various kinds of cars are still not fully resolved. This leads to frequent car downtime and causes harm to the national economy. Besides that, several enterprises practice interplant shipping of raw sugar by motor vehicles which leads to its losses and misappropriations.

The solution to this problem does not require large capital investments and the jobs connected with the unloading of raw sugar should be done at all plants before the start of its processing. The ministries of food industry of sugar producing union republics and associations of the sugar industry should take fulfillment of these steps under special control.

Improvement of the use of production capacities is a very important condition for raising the efficiency of raw sugar processing. But these matters have been poorly resolved at many sugar plants.

Sugar plants with the same production capacities for processing sugar beets and in the same associations have a different daily raw sugar processing level. For example, the Olymskiy Sugar Plant No 2 and the plant imeni Kuybyshev in the Kursk Association have the same beet processing capacity of 3,100 tons per day. However, the daily level of raw sugar processing at the Olymskiy Sugar Plant No 2 amounted to 491 tons in 1983 and at the plant imeni Kuybyshev it amounted to only 286 tons. In the Odessa Association the Kotovsk Sugar Plant with the processing capacity of 2,860 tons of beets per day processed 566 tons of raw sugar and in the Zaplavskiy Plant of the same association with the same capacity the level was only 489 tons. At the leading Zbarazh Sugar Plant of the Ternopol Association of the UkrSSR Ministry of Food Industry with the processing capacity of 3,000 tons of beets per day the daily level of raw sugar processing amounted to 731 tons.

On the average 159 tons of raw sugar were processed per day for each 1,000 tons of sugar beet processing capacity in the sugar industry as a whole in 1983, but at the leading enterprises it amounted to 200-240 tons. We cannot tolerate the low use of production capacity in the future.

We should bear in mind that raising the daily level of raw sugar processing by 20 tons for each 1,000 tons of beet sugar processing capacity would allow a reduction in the raw sugar processing time at all plants processing it for more than 10 days and by virtue of this extend their preparation time for the beet processing season.

The workers of sugar plants, association and administrations of the sugar industry have an obligation to take the necessary steps to improve the use of production capacities for raw sugar processing and to introduce the know-how of advanced enterprises on a wide scale. This will promote a rise in the efficiency in the production of sugar manufactured from raw sugar.

Highly productive and rhythmic work of sugar plants depends to a large extent the correct organization of planning and timely delivery of raw sugar to the enterprises.

The work is well organized in the UkrSSR Ministry of Food Industry. Here for a number of years raw sugar resources have been efficiently distributed and all operating sugar plants have been regularly supplied with raw material. Raw sugar processing is carried out with minimum stocks of sugar in the warehouses of the enterprises.

At the same time in the ministries of food industry of the RSFSR, Kazakh SSR, and Kirghiz SSR cases of irregular supply to enterprises of raw materials, car downtime during unloading of raw sugar and interruptions of work in plants are frequent because of incorrect distribution of raw sugar resources and inadequate control of its deliveries from ports to sugar plants. We must not allow repetition of the irresponsibility which occurred in 1983 in the sugar industry of the RSFSR Ministry of Food Industry where there was a surplus of raw sugar at some plants and others stood idle because of lack of sugar.

Currently many sugar plants carry out raw sugar processing. It is necessary for supervisors and specialists of the enterprises, production associations, and administrations of the sugar industry to provide rhythmic, highly productive work in all sections of production, to give special attention to the preservation of raw sugar during receiving, storage, and transfer of it to processing; to organize regular round-the-clock unloading of raw sugar received from railroad cars and not allow above-standard car downtime; and to strive to reduce in every way possible expenses for fuel, electrical energy, limestone, and other production materials.

Concern for training production personnel and creating good conditions for work and everyday life for them should be at the center of attention of the administrators of enterprises and public organizations. It is necessary to wage a decisive struggle against violators of labor and production discipline, and plunderers of socialist property and mismanagement.

The ministers of food industry of the sugar producing union republics and associations of the sugar industry should give maximum attention to timely supply of each sugar plant processing raw sugar with the necessary amounts of raw materials, fuel, limestone, and other production materials; and establish constant control over them which will promote the rise of efficiency in production to a considerable extent. It is also necessary to process raw sugar only at those plants which are capable of guaranteeing a high yield of white sugar.

The problem of correctly combining raw sugar processing with the organization of preparing plants to process the current year's beet harvest stands before the workers of the beet-producing union republics and associations of the sugar industry. We should organize the loading of sugar plants with raw material so that on the one hand, all raw sugar received is processed by the country's industry before the beginning of the receiving of the new beet harvest; on the other hand, to give every enterprise the opportunity to carry out well-timed and quality preparation for the new production system.

Following the decree of the CPSU Central Committee and USSR Council of Ministers an economic experiment is being carried out in the enterprises of the UkrSSR Ministry of Food Industry. A very important responsibility of the workers of the Ukrainian sugar industry is to carry it out on a high level.

The basic goals of the experiment are to: raise production efficiency; increase yield of the product; expand the rights of production associations and enterprises in planning and management activities; raise moral and material incentive of workers to achieve the maximum final work results; achieve harmonious social development of collectives which meet present requirements of developing the socialist society of our country.

The collectives of the sugar industry as well as the workers of the food industry of the Ukrainian SSR are actively involved in carrying out the tasks facing them to successfully carry out the experiment. Highly efficient raw sugar processing in 1984 will also be an important contribution of the workers of the sugar industry of the Ukrainian SSR in fulfilling their tasks in conducting the economic experiment.

We can express confidence that the workers of the sugar industry, introducing the know-how of the leading enterprises, will achieve new production progress in the current year.

COPYRIGHT: Izdatel'stvo "Legkaya pishchevaya promyshlennost'", "Sakharnaya promyshlennost'", 1984

12585  
CSO: 1827/185

## CONSUMER GOODS PRODUCTION AND DISTRIBUTION

### SHORTCOMINGS OF COMPANY STORE NETWORK EXAMINED

Moscow SOVETSKAYA KULTURA in Russian 13 Mar 84 p 3

[Article by Ye. Perets, responsible secretary of the interdepartmental council for studying consumer demand for goods: "In Search of Demand"]

[Text] We have more than six hundred stores, carrying the title "company", in the country. Customers are starting to get accustomed to the fact that first of all it is especially here that they can find the newest model of goods, be it shoes, clothing, or electrical equipment.

However, which of the visitors to the company stores little imagines what their basic differences from the usual trade enterprise are. The outward side is noticed faster -- the character of the buying process itself.

Take, as an example, the Yerevan store "Radiotekhnika-3". Here sections for selling all sorts of radio and television goods are well designed. In the showroom qualified specialists deliver lectures about consumer characteristics of articles and demonstrate the equipment in action. A bureau of helpful services operates and there is even a bar-cafe for store visitors.

All the same, it is not the outward side of an activity that is the main thing. Company stores first of all represent industry, are their original laboratories for studying and establishing demand. It is precisely here that managers of departments and enterprises, turning out goods of popular consumption, gain first-hand information which allows them to improve the assortment and quality of goods in accordance with the peoples' demands.

In a company store they frequently ask visitors to fill out a questionnaire and to express their opinion towards a novelty. This is not only a flattery, but turns a person from an ordinary buyer into an assistant of one or another department. A buyer's opinion may force production to be reoriented in a direction that is useful to all buyers as a whole. A company store carries the role of a go-between.

Let's assume that the stores "Orbita" and "Radiotekhnika" constantly supply leaders of the ministries and industrial associations data on changes of demand for everyday radio equipment. This information is

used actively. Thus, for example, in 1982 the radiogramophones "Ural-114" and "Estonia-008", the tape recorder "Sonata-202", the accessory "Ruta-101", and the television "Yantar'-714", "Elektron-722", and "Rekord-714" were removed from production as not meeting the buyers' demands. In 1982 77 suggestions were made by the store-salon "Orbita" for improving the technical parameters, outward appearance of articles, and price revision. Most of the suggestions have already been instituted.

The company store is the first instance on the path of new goods to the consumer. Precisely in it is it possible to express a discrepancy of demand to a suggestion, and balance them, not waiting for overstocks or deficits. But the presence of company stores far from always guarantees a department "hitting the target"!

Light industry has a rather broad network of company stores--more than seventy. Nonetheless, commodity reserves of a number of articles of this branch are growing, but the consumer demand is not being satisfied. Thus, at last year's interrepublic wholesale fair trade enterprises refused to buy hundreds of millions of rubles worth of clothing from light industry. Men's, women's, and even children's coats accumulated as dead weight in warehouses. Instead of shirts from smoothly-dyed material, articles from materials long-since out of style are offered. It is naive, of course, to blame in this process only one firm's trade, but its miscalculations are here.

In one of the boards of the USSR Ministry of Light Industry, a remark was heard that out of 27 company stores belonging to the sewing field real help could be found from only three. There are Moscow's "Muzhskiy Sorochki", Kiev's "Novinka", and Riga's "Lotos".

In the Latvian SSR Ministry of Light Industry's stores "Lotos" and "Ogre" they conduct weekly demonstrations of current and prospective models with commentaries on the directions in style and methods of caring for articles. Here, exhibitions are continually held of clothing outfits which they have for sale or are ready for issue. Visits are organized systematically to the city's enterprises and in the republic with exhibitions, sales, and questionnaires. Shoppers in these stores are offered prospectuses and a great deal of attention is given to the external appearance of buying and advertisement. And of importance, all materials for studying buyer demand are handed over monthly to the artistic-technical council of the enterprises which, on their basis, make up the collection of models for the following year. But unfortunately, such work is still an exception to the general rule.

In practice, consumer demand is actually studied in barely half of the company stores. And even that modest data which is gathered here basically has an illustrative character, and figures only in estimates and not in the enterprises' system of planning and economic indicators.

Of seven metropolitan stores of light industry which most likely might serve as a model, only "Muzhskie Sorochki" and "Modnaya Obuv'" conduct some sort of work aimed at formulating branch production programs. And the rest? Why do they not fulfill their basic tasks--concerning themselves with the study and formulation of demand? The answer is simple. The activities of company stores are still evaluated only on their fulfilling the plan of commodity turnover. But really, the number of visitors, assortment stability, and culture of the services also speaks to the efficiency of their work. They still don't provide for their accounting. Bonuses are not accorded to workers of company stores for additional work in forming and studying demand. Therefore, such stores frequently turn to ordinary trade points with their traditional tasks, how to fulfill the plan, or how to "breach" a deficit.

The Moscow store "Modnyy Trikotazh", for example, is under the authority of an industrial association and receives goods from 60 factories. Where, the question arises, do you give attention to every article? And naturally in 1982, 85 percent of the new models of the enterprise "Mostrikotazhprom" passed the approval stage in its own company store.

In 1982 the Volgograd store "Odezhda" dealt in products of 30 industrial associations, 11 of which were "outside of the oblast". From the latter (their products comprised 60 percent of the turnover) only one task on studying demand was received.

To this time no clear method for studying the demand for company stores has been introduced. They have been disposed, as a rule, in the large cities. But goods are spread through all territories of the country. This means that an enterprise must clarify not only what the buyer wants, but also from where he arrived and where this or that product will find optimal selling conditions.

Forming demand, in fact, many understand as information of a buyer on the availability of goods for sale. Therefore directions of fashion are publicized weekly, and an advertisement, as a general rule, is accorded a secondary role.

There is, of course, interesting experience as well. The Ministry of the Electronic Industry, for example, entrusted the central commercial advertising association "Elektronika" with the leadership of a network of their company stores. The intention was to accomplish a single advertising policy in the branch. In 1983 the Moscow store "Elektronika" spent 164,000 rubles on advertising, which comprised 2.4 percent of its commodity turnover. The interior of the trade hall and street showcases of the store were designed with the participation of specialists of the USSR Art Fund. Price list annotations and a printed advertisement of prospective models are colorfully implemented.

Thanks largely to a well-provided advertisement the amount realized on goods in the store "Elektronika" grew in 1982, compared with 1981, more

than 3.5 times for microcalculators, more than twice for wrist watches, and more than three times for televisions.

Undoubtedly, it is necessary to use the accumulated positive experience. It follows, finally, to determine clearly the place of the company store in the complex mechanism of controlling the marketplace. Recently a seminar conducted by the RSFSR Ministry of Light Industry in Ufa, on problems of intercommunication of company trade with production, pointed out the not indifferent position of specialists.

At the same time it pointed out that it is difficult to master progressive methods of supplying the consumer with the strengths of only one industrial ministry. Local soviets of people's deputies and trade organs must assist in strengthening the material-technical base of company stores, look after the selection and training of cadres, and raise their professional skill.

Perfecting the work of forming and studying consumer demand is a command of time. In resolving these important questions, the role of company trade takes on a special meaning.

1219?  
CSO: 1827/212

## HOUSING AND PERSONAL SERVICES

### INTERVIEW WITH MINISTER ON UKSSR HOUSING CODE

Kiev RABOCHAYA GAZETA in Russian 28 Dec 83 p 2

[Interview with V. D. Ploshchenko, UkSSR minister of Housing and Municipal Services, by A. Mosgovoy, RABOCHAYA GAZETA correspondent; time and place not specified]

[Text] Many people are writing letters to the editor asking for information on the UkSSR Housing Code, which will go into effect on 1 January 1984; and they would like an explanation of some of its articles. Our correspondent asked V. D. Ploshchenko, UkSSR minister of housing and municipal services, to answer the readers' questions.

[Answer] In our republic, as in the rest of the country, housing construction is being carried out at a rapid rate. During the first three years of the five-year plan alone available housing under the ministry's authority has increased by more than 12 million square meters. The state provides a great deal of assistance to cooperative and individual construction. All this creates conditions for fully ensuring the citizens' right to housing, which is guaranteed by our Constitution.

Naturally, this immense industry requires a high level of services and it must be kept intact. It is the job of our ministry to do this. A great deal has already been done, but still many tasks lie before us. And I do not mean just those who work directly in this field. All of us are residents. That means that all of us are responsible for making careful use of available housing.

The UkSSR Housing Code is the first legislative act in the republic which considers in their entirety the basic issues of providing citizens with housing, utilizing housing facilities, and preserving available housing. It is aimed at ensuring the citizens' right to housing guaranteed by the USSR Constitution and the UkSSR Constitution; it also expands the citizens' housing rights and increases the guarantees for ensuring these rights.

[Question] Vladimir Dmitrievich, the most common question asked in the letters is: Does the Housing Code establish grounds for recognizing citizens in need of improved housing conditions? V. Petrenko from Krivoy Rog, A. Manakov from Zaporozhye, N. Mishchenko from Kupyansk, and others were interested in this question.

[Answer] Yes, it does. The grounds for this are: people with living space below the established level; a serious form of a chronic illness, which makes it impossible for the individual to live in a communal apartment or in the same room with family members; subleasing of residences that are part of state or public housing or in a dormitory, and so on. The list included in the code is not exhaustive, and therefore the grounds set down in the Provision on a System for Granting Housing Space in the UkrSSR are still in effect. For example, as of 1 January 1984 veterans of enterprises, institutions, and organizations named in Paragraph 5 of the Provision will be considered to be in need of improved living conditions on a preferential basis.

[Question] Our reader Yu. Markarenko from Zhdanov asks: Has there been a change in the norm for living space in our republic? What are the dimensions of the housing that will now be provided to citizens, in apartment terms?

[Answer] The norm for living space remains as it was, 13.65 square meters per person. At the same time, taking into account existing possibilities, the code stipulates that citizens will be provided with housing that is within the living space norm, but that is not less than what is determined by the UkrSSR Council of Ministers and the Ukrainian Council of Trade Unions. These dimensions have been established by oblast soviet executive committees and Kiev and Sevastopol city soviet executive committees, in conjunction with oblast trade union councils and the Kiev trade union council; these dimensions were defined as a norm that is the average living space provided to citizens in a given locality.

[Question] Has the previous system for occupying separate rooms that become available in common apartments been retained? If it has changed, what is new about it? This question was asked by V. Alekseyenko from Kiev; N. Semenchuk, a resident of Lubny; V. Mal'tsev from Odessa; and G. Shapoval, a resident of Pervomaysk, in Nikolayev Oblast.

[Answer] The regulations for occupying separate rooms that become available in common communal apartments are different from those that were set down earlier. The new code provides citizens with greater opportunities for obtaining these rooms. The new regulations will help gradually eliminate communal apartments and they will contribute to the process of turning these apartments into single-family dwellings.

When a separate room in a common apartment becomes available, a tenant living in that apartment and in need of improved housing can make a request for the room and it is transferred to him. If there is no such tenant, the room is transferred to another tenant in the same apartment. The total living space should not exceed the norm of 13.65 square meters per person, except in those cases in which the tenant or a member of his family has the right to additional living space. Then the total living space should not exceed the norm plus the norm for additional living space established for that citizen's particular category. If the dimensions of the available separate room are less than the norm that has been established for one person (that is, less than the average living space provided to citizens in the given locality), then in every case, regardless of the total living space, the room is transferred to the tenant at his request.

[Question] Today in cities old housing is being renovated. In order to turn overcrowded communal apartments into single-family apartments and to improve their amenities, the dwellings are usually redesigned when they undergo major repairs. Therefore, P. Nefedov from Kiev asks: Does the code contain regulations for relations between residents and housing organizations while the major repairs are being done?

[Answer] Articles 100-102 and 113 of the code are devoted to this issue. They are aimed at increasing the safeguards of the citizens' rights during major repairs on residential buildings. For the first time the law stipulates that lessor must reimburse the tenant for relocation expenses that were incurred as a result of the major repair, and for the cost of moving back to the original dwelling.

Instead of providing housing for the duration of the repairs, the tenant and members of his family, with their consent and the consent of the lessor, can be provided with permanent comfortable housing elsewhere. This regulation corresponds to the interests of both the citizens and the state. A temporary move to another apartment, even when expenses are reimbursed, naturally creates certain difficulties for citizens: sometimes it is difficult for them to get to their jobs, school, or kindergarten from the new residence. Sometimes the major repairs are delayed because there is not enough living space available in resettlement housing. Therefore, it is sometimes in the interest of housing agencies to move residents from housing that is going to be repaired into another permanent place of residence. After the repairs are completed, new people move into the housing that these residents formerly occupied.

[Question] Will the residents' wishes be taken into account when plans are made for major repairs on housing?

[Answer] If the plan for major repairs on housing calls for re-equipping or redesigning the apartments, the tenants and their families should be familiarized with the plans. Those comments and suggestions not taken into account by the planning organization are reviewed by the agencies that manage this housing, and by the executive committee of the local Council of People's Deputies, which approves the plan for capital repairs.

[Question] T. Tarasova from Kamenets-Podolskiy asked in her letter: "We know that the Foundations of housing legislation for the USSR and the union republics and the UkrSSR Housing Code do not provide for removal of surplus living space. I would like to know what amount of space is considered surplus and how is it paid for? L. Kryukova from Kremenchug and N. Zaytsev from Vishnevoye in Kiev Oblast also wrote to the editor with this same question.

[Answer] Surplus living space is considered to be anything over the norm of 13.65 square meters per person plus half of this norm for an entire family. Higher rent must be paid for this surplus space (in the Ukrainian SSR today the rent is doubled).

[Question] Other questions that were asked frequently in the letters include: Does the owner of a home, who received a state apartment, have the right to

reserve it for himself? Can he do whatever he wants with it, for example, can it rent it out?

[Answer] No, he cannot. Within a year he must transfer the home to someone else (either by selling it or giving it away as a gift). If the house is uninhabitable, within the given time limit the owner must either transfer it for demolition or demolish it. This system is set down in Article 33 of the code and excludes the possibility of renting out living space and of citizens' receiving income from apartments they have obtained in buildings that are part state or public housing.

[Question] And now our final question. Readers are interested to know how housing legislation will develop in the future. As we know, the adoption of the Foundations of housing legislation of the USSR and the union republics and the UkrSSR Housing Code is just the first step in improving this legislation.

[Answer] There are plans in the next few years to work out and approve a whole series of legislative acts regulating housing relations. Regulations will be adopted for registering citizens in need of improved housing, and for providing them with accommodations; a model charter for a housing construction cooperative will be adopted, in addition to regulations for exchanging and reserving housing accommodations. Before they are confirmed, the existing acts on these questions will be observed only in those areas in which they do not contradict the UkrSSR Housing Code.

9967

CSO: 1827/140

## HOUSING AND PERSONAL SERVICES

### INTERVIEW WITH RSFSR CONSUMER SERVICES MINISTER

Moscow IZVESTIYA in Russian 18 Mar 84 p 1

[Interview with Ivan Grigor'evich Dudenkov, RSFSR Consumer Services Minister: "Service Today and Tomorrow"; date and place not given]

[Text] Our correspondent met with RSFSR Consumer Services Minister I. G. Dudenkov on the eve of the Workers Day of the Housing and Municipal Services and Consumer Services.

[Question] Keeping the holiday frame of mind, Ivan Grigor'evich, let us discuss with the readers of Izvestiya what is changing for the better in work so necessary to us in area of consumer services.

[Answer] The changes are expected to be considerable. In the year since the last holiday of our profession, three important decrees of the CPSU Central Committee and the USSR Soviet of Ministers have been issued, in which a multi-plan, long-range program for developing consumer services is specified; the conducting of a broad economic experiment to increase the accountability of consumer service enterprises for growth of the volume and quality of service is planned. These documents open up broad perspectives for the development of our branch. After 18 years it has progressed from handicraft production to high industrialization; more than 2.5 million people are employed in it in this country. Now every family has consumer services. We receive up to 15 million orders per day. There are no longer complaints from the people, we assume, about there being no repair of consumer technology anywhere. But there are still many complaints about the time required for repairs and about the quality of repairs. This has to do with our shortages and with the quality of the products. We are, however actively working now with the machine-building ministries to influence the quality of the manufacture of goods and to improve the technology of their service at their enterprises. We are entrusting this work to the most qualified workers.

Quality changes take place in many forms of service. In photography, for example, the processing of movie and photographic film and the manufacture of films and photographs by the customers themselves is a priority service.

Housing repair services should also be improved in the near future. The output of equipment for entrance halls, baths and various kinds of furniture will be increased. We shall increase the receipt of orders for construction of summer cottages for flower and vegetable garden areas.

Another news item is the opening of "do-it-yourself" stores. This is a workshop where anyone who wants to make something useful with his own hands for the house can obtain a tool, joiner's bench and materials. A qualified expert will also be there for consultation. The tool may be rented and taken home.

Territorial development of the branch is continuing simultaneously with qualitative changes in the service. Consumer service enterprises are undergoing growth in the Baikal-Amur mainline, in Tyumen, in the Krasnoyarsk kray, in Komi in the ASSR, in Bashkir and in other regions. There is especially rapid development in rayons with large-scale constructions.

[Question] The holiday is an occasion also to remember unsolved problems....

[Answer] Yes, it is something for us to think about. There are deficiencies in our work, and on 20 March, that is, immediately after the holiday, a board appointed by the ministry concerned with these problems will begin work. We can assure the readers of IZVESTIYA that we shall try to be more benevolent, work better, and enlarge our scope. This is the task of our branch today.

On 16 March a solemn meeting took place in Moscow devoted to the Workers Day of the Housing and Municipal Services and Consumer Services.

In the presidium were candidate member of the Politburo of the CPSU Central Committee V. I. Dolgikh, section heads of the CPSU Central Committee I. N. Dmitriyev and Ya. I. Kabkov, leaders of a number of ministries and departments, production foremen, and community representatives of the capital.

RSFSR Consumer Services Minister I. G. Dudenkov gave a report.

Those in attendance confirmed that they would devote all their knowledge, experience and energy to fulfill the tasks decreed by the resolutions of the 26th CPSU Congress and subsequent plenums of the CPSU Central Committee for improving the living conditions and life of the Soviet people.

12410  
CSO: 1827/181

## HOUSING AND PERSONAL SERVICES

### OFFICIAL RESPONDS TO CRITICISM OF HOUSING MAINTENANCE

Moscow IZVESTIYA in Russian 23 Mar 84 p 2

[Article by V. Atopov, ispolkom chairman, Volgograd City Council of Workers' Deputies: "Why Is it Cold in the House?" under the rubric: "They Came to IZVESTIYA. What Has Been Done?"]

[Text] An article was published under this headline in IZVESTIYA No 17/18 of 1983, on shortcomings in furnishing heat in Volgograd. The editors received this reply.

The ispolkom of the Volgograd city Council examined the article "Why is it Cold in the House?" and acknowledged it is correct. The questions posed in it touch on important problems on coordination of cblast and city municipal services concerning the operation and repair of housing, heating and power engineering facilities. The article also concerns the attitude of certain ministries on this question--the USSR Ministry of Power and Electrification; the RSFSR Ministry of Housing and Municipal Services; state planning and material-technical supply authorities.

The statement to IZVESTIYA was discussed at meetings of the ispolkom with supervisors of the oblast and city services and directorates, and also in all Housing Maintenance Sections [ZhEU].

The newspaper correctly understood the painful problem of material-technical supply of the city service facilities. The fonds allocated to the city for repair of living quarters in 1983 amounted to 66 per cent of the required amount of cement; 31 per cent of the asphalt; 21 per cent of the sinks and wash tubs; 21 per cent of the wash basis; 13 per cent of the bathtubs, etc.

The Volgograd gorispolkom is taking all measures to enlist the might and means of the city enterprises to render assistance for housing repair and maintenance. However, at the present time, under conditions of the struggle for strengthening funding discipline, this has become a very difficult task. Because of strict control of their funds, the supervisors of the enterprises are no longer offering the city their resources to cover the deficit.

Approximately 20 per cent of the nation's fixed assets consists of housing. The available housing in the cities continues to grow rapidly and is becoming more complex in an engineering sense. Its operation and repair has

has become a matter no less important than new construction. However, material-technical supply has not kept up with the demands of growth. One would think that Gosplan and Gosnab USSR would see to it that the lagging facilities meet the demands of life. Moreover, from our point of view, the nation's housing and municipal facilities should have their own developed production base, to include specialized plants for manufacturing the means of mechanization, instruments, sanitary engineering equipment, spare parts, and measuring instruments.

The newspaper IZVESTIYA also correctly poses the problem of the necessity for centralized administration of municipal services and the creation of such specialized services as an oblast housing association, oblast heating and power engineering administration, oblast water and sewage system, etc. Specialization in general is a progressive matter; however, with one important condition: if it leads to effective development of the branch. But if only the administrative apparatus is specialized, and it does not have the capability to provide technical means to the area within its jurisdiction, and is not ready to carry out reconstruction on a modern progressive basis today, then the expedience of such centralization and specialization raises doubts.

Today specialization of the administration of municipal services objectively concentrates the managerial services at the oblast level. And such concentration is rather detrimental. For the small cities of the oblast with well-organized municipal facilities this may not be very perceptible; but for the large cities this presents a serious problem. Who is allocated what --the oblast center or the rayon-- is all the same to oblast municipal services. But you see, one frequently has a population of nearly a million people or even more, and the other only tens of thousands.

An important contradiction arises: the city service with its increasingly complex system of management turns out to be in a more responsible situation but with fewer real capabilities for effective management. All of the real levers--labor and material-technical--are in the hands of the "specialized" oblast organs, the "commanding generals" of municipal services.

We believe that the ministry and its organs should develop and define the technical policy, while in the localities it is extremely important to strengthen those administrative organs which are most closely situated with respect to the municipal services of the large cities and their rayons. The moreso, because we are to a significant degree still forced to search for the material-technical resources for the city services in the localities. It is obvious that the state plan of the republic should also provide for supplying them to the large cities.

But as a first step, it is necessary to provide for allocation of material-technical resources for their municipal services by special-purpose designation on the part of the Ministry of Housing and Municipal Services, Gosplan and Gosnab RSFSR.

The article also correctly depicts the situation with the authorized number of repair personnel. For 1984, the municipal services staff for Volgograd was established at 72.7 per cent of the number required. We anticipate that the appropriate authorities will give IZVESTIYA a detailed response to this question.

And now to the question of the city's heating supply. There are six heating plants in Volgograd with a capacity of 100 gram/calories per hour and above.

In accordance with established standards such heating plants must be transferred to the balance of the enterprises of the USSR Ministry of Power and Electrification. The ispolkom of the oblast soviet, and the oblast administration of housing and municipal services has repeatedly appealed to the USSR Ministry of Power and Electrification and to the RSFSR Ministry of Housing and Municipal Services on the question of transferring the heating plants to the Volgogradenergo Regional Power Administration. The USSR Ministry of Power and Electrification gave its consent to transfer the heating plants on one condition: that fuel oil storage tanks be built for reserve fuel.

Giproneftettrans [State Institute for Petroleum Products Transport Planning] as a special assignment worked out the technical and economic basis for construction of fuel oil storage tanks: four out of six heating plants can be built in Volgograd. But this takes time. And further operation of the already existing heating plants is no longer possible. But what is to be done? Close up the heating plants and leave those parts of the city out in the cold? After the statements appeared in IZVESTIYA we once again appealed to the USSR Minister of Energy and Electrification, Comrade Neporozhnyy, with a request to carefully examine and resolve this problem, which is important to Volgograd.

And the ispolkom of the city soviet appealed to the RSFSR Minister of Housing and Municipal Services, Comrade Popov, to allocate the necessary amount of material resources and equipment for operation and repair of the available housing for 1984.

In terms of the specific facts of the lack of heating pointed out in the article, we report that: in building No 8 on Mir St, air collectors have been installed, and the heating pipes have been cleaned out; in the basement of building No 12 on Naumov St the lower barrels of the heating and water supply system have been replaced; and adjustments were made to the heating system in apartment house No 15 on Kopetskiy St, after which the heating situation in these buildings improved.

But we understand that the article listed only a portion of the unfavorable heating conditions. The ispolkom of the city soviet is taking measures to rapidly eliminate and prevent emergencies in other buildings. We will not conceal anything: for the above-mentioned reasons this is not always possible.

For a careless attitude toward fulfilling his official obligations, I.V. Yermolova, senior engineer of ZhEU-38, was given a severe reprimand by order the industrial housing repair administration; and N.M. Shatalin, chief engineer of the PZhRT [Industrial Housing Repair Trust] of the Central Rayon, was subjected to disciplinary punishment.

For inadequate preparations for the 1983-1984 heating season, V.P. Zakharov and B.P. Sazonov, chiefs of central regional heating systems No 1 and No 2, were punished by order of the management of "Heating Systems", and the size of their quarterly bonuses was reduced.

FROM THE EDITORS: The answer was, as you see, detailed, critical and self-critical; it not only responds to the criticism in the article, "Why is it Cold in the House?", but also poses important questions. And nevertheless, the reply of the chairman of the gorispolkom, in spite of all its honesty, cannot be the last word for the city's residents. What do the Ministry of Housing and Municipal Services, the Ministry of Energy and Electrification, Gosplan and Gossnab of the RSFSR and USSR have to say on the problems touched on? The newspaper is awaiting their reactions. The "vegetating" in Volgograd is no exception, and there are still many winters to come.

9006  
CSO: 1827/210

## HOUSING AND PERSONAL SERVICES

### MAINTENANCE OF PRIVATE HOUSING INADEQUATE

Moscow STROITEL'NAYA GAZETA in Russian Apr 84 p 1

(Article by L. Kiryushina, special correspondent for Vladimir, Suzdal, Petushki, Subinka, Stavrovo: "Someone Else's Troubles.")

(Text) The arrival of spring brings vital concerns to the minds of homeowners: who needs to fix the roof, the porch, to build a kitchen or a veranda. I've set my sights on a new house. I've decided to get my son settled.

It is a good if a man knows how to do everything himself, or if friends and relatives are ready to give him a hand. But what about the person who is not used to construction affairs and does not even know which direction to approach it from.

"I obtained a plan, but there is no one to tell me how to build a house. Could you perhaps give me some sensible advice...", V. Terimov from the city of Polevska, Sverdlovsk Oblast asks the editor. "I want to know," writes A. Avchinnikov from Tula. "if it is possible to conclude an agreement with a contracting organization for construction of a house? If this is impossible, then tell me where and how to order instructions and the machinery!"

"My daughter recently settled in Stavrov, Vladimir Oblast," war veteran A. Pavlov shares with the editor. The village is small, and there are about 500 people waiting for cooperative living quarters. So my wife and I decided to let our daughter build her home--she has 3 children.

Some moonlighters visited us--they alone knew where, what and who they needed, but we made no agreement with them: the value that they placed on their labor was already painfully high--20 rubles per day per man, and even food and drink. And if the moonlighter is flourishing, then some one is not doing his full share."

Indeed, what?

Before going to Vladimir, I decided to find out at RbSR Gosplan what kind of plan was fulfilled by the oblast last year regarding individual housing

construction. Two numbers were cited to me: in rural areas—10,000 square meters and worker settlements—15,000 square meters were to be put into service. And at the same time they counseled: do you know who is fulfilling this quota? The advice perplexed me somewhat, with its seeming impracticality and naivete, but nonetheless I decided to take advantage of it.

The deputy chairman of the Vladimir Oblast Planning Commission, B. V. Kostylev, was even embarrassed by such a question:

"What does that mean—what is fulfilling the plan? The rayons. And who in the rayons? Somewhat I've never thought about this. Thus, I am a newcomer at upland (oblast planning commission), and therefore I need time to learn about everything."

A 2-3 day wait in the institution (oblast planning commission). In the final analysis, some oblast organizations besides Uralion must be involved with the affairs of individuals who are building houses on their own.

The initial thing would be to turn directly to unitarian organizations, but as far as I know they do not take part in these affairs. Consequently, the only thing left was to visit subdivisions of the N. P. Magazinov (Ministry of Housing and Municipal Services) and Minsvet (Ministry of Consumer Services), where one has to guess about their attitude.

...The office of suppliarity immediately dictated to me the name of a responsible official at the Vladimir Oblast Administration for Resettle and Municipal Services. Veden'ev when I tried to find out how many houses were built by municipal workers by order of the government.

"We are prepared to build, but no one gives orders."

Since they are ready, then this is a known and tested business. And if, let us assume, there are no orders to do, then what has been done within this frame in recent past. This kind of initiative did not show up at the administration, and that is not surprising. Municipal workers do not report in the square meters of houses built, invite. They receive the plan for services for the population only, as is known. It is calculated in labor. In order to understand the point of this plan, it is enough to visit a construction and repair section and become acquainted with its work.

In Stavrov, where the author of the letter to the editor of the village lives, a sentinel such as this is located in a house with a sawmill shop, a carpenter's workshop, garage and waterworks. Kitchen sheds are built here, since that goes along with them. Houses are built for the plan. And the Stavrov repair and construction administration does not build worker quarters, although in the past they put up entire streets.

Really no orders. Stavrov has its own version of this. In front of Stavrov the village multi-story wings with all municipal conveniences were erected. The residents of Stavrov say that if the same conveniences could be provided for individual municipal workers, there would not be such a com-

wait for a cooperative; many would prefer to build themselves.

The wishes of the residents of stavki are completely real. In stavki, other and working and rural settlements, ravines are provided with general roads for individual construction. Executive committees of districts plan the sequence of engineer training for their territories and start small local builders according to their fulfillment.

A system such as this, for example, is in existence in Sibislavly Rayon, Vladimirschenkino. This is why the highest volume of individual house construction in the district is here. And the line of those wishing to obtain sections for their own houses is not diminishing.

But here is what is surprising. Over the last 5 years, not one of the builders has turned to the local repair and construction Administration. I was told this by KSO chief L. Lebedev. How can the fact be explained that people are avoiding the organization that can save them from long and tortuous trouble? Aren't they all masters of construction repair? If this is the case, then the ravens can be called downright unique. And not just in Sibislav, but all other rayons of Vladimirschenkino, for there all the inhabitants there using the help of the KSO, except one family from the settlement of Brashchka Lypatka.

The uniqueness of the situation is not confined to these facts. During a conversation with the head engineer of the Vladimir Oblast Personal Services Administration V. Kachalov, something was heard that was astutely known: there are no orders for residential houses. This is why they are being deluged with those wishing to have garages, sheds.

A surprising business: in the district there are 2 specialized subcontracting organizations - Viatkotroremstroy and Vladimirschenkinstroy, whose regulations provide for the repair and construction of houses. A system for taking and carrying out orders from the population has been thought out. A standard sub-contracting agreement for the construction of residential and nonresidential sites (personal order) is concluded with the person building the house, an estimate of prospective expenditures is drawn up, conditions for the financing of the operation are discussed (allowance, then final accounting), along with the period and the schedule for putting the house into service. But with all of this thought and all of this activity of business organization, there is no business.

For 1981 the district reported on 25,100 square meters of total area in the so-called "private sector." Obviously, there were buyers, but they are neither to Vladimirschenkinstroy nor Viatkotroremstroy.

In the account of the municipal workers, the houses on the account of personal settlement workers, 6 frames. These are the totals for 1981. According to all appearances, a situation such as this fully suits these organizations.

Building a house is a troublesome, responsible job, and when an opportunity arises to get out of it, then only an eccentric would not use it. And it turns out that avoiding it is not difficult at all: planning and advice of rubles encourages such actions, toward a search for simpler, more reliable and profitable work. Here is the proof: while a total of 7,000 were completed, there were 420 garden sheds!

Municipal workers for a long time have sealed us free hotels. We do not jump in on them without a reservation. We are hardly spoiled by the service of personal service workers. Try to sew a fashionable pair of shoes or a suede jacket. Visit a workshop and atelier once, twice, 10-15 times, trying to make an order, but in the last analysis your patience reaches its limit and you abandon this undertaking.

The same thing has occurred, I assure you, with others too. People went, found out, waited, hoped, but the constant "no" killed every desire to wait and hope. This is why many have forgotten the address of the repair and construction organizations of the KGB in Minzhlizkumkaz and Minbvt and many do not know them.

To make up for it, these addresses are well known to gamblers and motorists. But you would agree that the people's need for living quarters is much higher in terms of rural signify more than the needs of members of partisan associations and garage cooperatives. It is just this circumstance that impeded the KGB, Vizgaz and other organizations not linked to involve the repair and construction organizations of the KGB Minovt in the construction of living quarters in the village. In Uralavtchinsk in the past year they made an important contribution to the development of rural housing construction--approximately 20 houses were built.

On an agreed-upon day I once again went to Uralavt. This time they gave an answer: the closest planning organization does not know who is fulfilling the plan for individual housing construction.

And if the executor is unknown, this means that there is no one to whom one can complain. This is why organizations have been called upon to render services to the population, to help in the solution to the housing problem, and to drive the shaft in rubles.

✓✓✓  
CSO: 1827/217

## HOUSING AND PERSONAL SERVICES

### ASTRAKHAN EXPERIMENTS TO IMPROVE CONSUMER SERVICES

Moscow EKONOMICHESKAYA GAZETA in Russian No 14, Apr 84 p 19

[Article by Yu. Kurdov, chief of the Oblast Administration of Consumer Services, Astrakhan: "On the Eve of an Experiment", under the rubric "Production-Trade-Service."]

[Text] In recent years consumer service in our oblast has been developing at a quite rapid pace. In this regard, not only have the quantitative indicators grown remarkably, but the qualitative ones as well. Two important factors have greatly promoted this. The first of these is the development of a material-technical base, accompanied by the construction of consumer-service facilities in the rayons and in the oblast center, and also by the mechanization of labor-intensive processes. The second is the reorganization of the administration's structure.

Our oblast administration is among the first in the RSFSR to have set up specialized production associations, and, in places, rayon production administrations (RPU). In connection with the fact that the rural population makes up the greatest proportion in Astrakhan oblast, correspondingly greater attention is devoted to improving and developing services in the village.

As the result of a whole range of steps taken by the administration, the scope of consumer services during the 10th Five-Year Plan and in the 3 years of the current one has doubled in the city and increased by a factor of 2.8 in the village.

However, the constant growth of demand for consumer services continues to exceed our capabilities. This, in fact, has produced decided dissatisfaction on the part of those placing orders.

#### All Deliveries On Time

The oblast administration has set itself this task: all deliveries on time and in good order. To do this we are proceeding in two directions. First, we have changed the enterprises' operating rules. About 30 percent of them operate on Saturdays and Sundays. Where formerly they were open from 0800 to 1900, now most of them operate from 0800 to 2000 or 2100.

Secondly, we have considerably increased the use of equipment capacity. This has reached 0.95, and the shift system has gone from 1 to 1.3. All this, naturally, has had an effect on the growth of volume of consumer services, but not to the extent required.

The demand for the repair and construction of housing in rural areas increase each year, but we cannot satisfy them--the labor and financial resources available in the rayons are insufficient. We are also experiencing a shortage of personnel in the other subdivisions of consumer services. However, we are unable to resolve this problem because we are limited by various norm-setting documents.

The main factor holding us back are inadequacies in the economic mechanism. Here we should note that the structure of production management has fallen behind contemporary requirements. Managers of associations and of the oblast administration lack sufficient authority. They do not have the capabilities to aid enterprises that for a number of extraneous circumstances have gotten into a difficult situation. They cannot, within reasonable limits, reward ITR [engineering and technical personnel] for creative labor or acquire high-quality goods and raw material. We do not have access, for this or other purposes, to the adequate financial resources which accrue from the overall profits made by enterprises.

These problems will be solved under experimental conditions. The rights of the all-union production associations are being considerably expanded, and they may call on the wage fund, incentive funds and specified amounts of profits. There has been a significant reduction in the number of norm-setting indicators regulating the activities of oblast consumer-service administrations. Now the basic criterion for evaluating our work is the volume and quality of the services paid for.

The primary task under the terms of the experiment is to increase the creative initiative and work efficiency of consumer-service collectives.

Of considerable importance here is the dissemination of advanced work methods and of progressive modes of service. There are still many unused resources in this area. The experiment has been set up to put them to work.

#### We Are Alert and Ready

How are we preparing for work under the new conditions? First of all, we have held study sessions with the executives of the consumer-service oblast administration and the associations, at which the content of the experiment has been studied in detail, as well as the procedure for preparing for it. The same work is also going on with middle-level supervisory personnel.

Next, enterprise specialists have conveyed the content and significance of the experiment to each rank-and-file worker. Meetings have been held with specialists in economic services of the rayon production administrations, during which they have been taught the organization of the planning applicable to the new conditions. Together with the economists, the administrations have conducted a standard-base training course on the basis of preliminary standards.

Along with this, extensive work has been started to improve labor organization and wages, as provided for by decree. We will be working hard on this point, and we have experience that must be more vigorously disseminated.

Two years ago in the Liman Rayon Production Administration' sewing brigades were converted to a wage based on the end result sales. The crux of this innovation is that before that the brigade was not accountable for finished production shipped to the warehouse.

But this is the situation now. If, for example, a suit is not sold, no wages are earned for it. The fulfillment of a brigade's monthly plan is calculated on the basis of total receipts from the sale of finished goods.

This wage system has promoted an sharp improvement in the quality of the goods. They have not ended up in long-term storage. This practice has been introduced since January of this year at the Astrakhan Clothing Plant and in all workshops of the oblast center.

In the associations of the hairdressing business and in Obuvbyt [footwear] a bargaining method of brigade wages has been introduced. Each one sets the scale of profit and the percentage of it allotted to the wage fund. All earnings for the month are turned over, and wages are figured on this base.

To increase the involvement of engineering personnel in the brigade's work, foremen and process engineers are included in the staff, and hairdresser-managers, in hairdressing salons. They are now on a piecework basis, and their pay is based on the scale of profits. As a result, the labor productivity of the collectives has increased considerably.

We are now paying special attention to the brigade form by using cost accounting principles, with wages for a given order based on the end result and with disbursement of the collective's earnings. These brigades have been set up in the Oblrembyttekhnika [oblast consumer equipment repair] and Oblteleradiobyttekhnika [oblast television and radio equipment] production associations. And it must be said that the volume of services in these brigades has grown noticeably, while costs have been minimal. These collectives, by virtue of the basic indicators, are receiving a portion of their wages per ruble of services and cost of material.

The brigade system is being implemented in construction and repair of housing. The operation of all vehicular transport is also converting to the same system. Two-thirds of the total of the services operating in the sphere of our oblast administration are on the collective method of work organization.

#### Eliminating Hindrances

However, not everything is turning out as one might wish. There are factors of an internal nature that are holding us back, such as poor executive discipline and organizational confusion. We are aware of them and are taking steps to eliminate them.

But alongside this there are negative aspects of an external nature. Let's take material-technical support as an example. The presently existing multi-part supply mechanism does not effectively help to solve problems with suppliers.

Under conditions of sharply defined seasonality and frequently shifting popular demand for various consumer services, we must, following the example of other industries, switch consumer-service enterprises over to direct long-range contacts with the enterprises that supply raw materials and other goods. All the more so, since that kind of contact was specified in Decree No 695 of the CPSU Central Committee and of the USSR Council of Ministers dated 12 July 1979.

Another topic of no little importance is the quality of materials delivered. Individual orders constantly call for the availability in associations of high-quality materials. That is only understandable. We have an obligation to satisfy the public's growing demands. But in the meantime we use what we are supplied with. One would think that the republic Gosnab would take this feature into account and deal better with our orders.

There still remains one more problem on our agenda--transportation. In connection with the growth in recent years of the network of consumer-service enterprises, the traffic limits of the industry's transport have expanded, and the need has developed to increase the amount of transportation equipment, especially trucks, dump trucks and truck cranes for transporting construction materials to villages, where the repair and construction of new housing has grown considerably.

It must also be noted that our administration has taken on the servicing of the 15,000 construction workers and geologists of the Astrakhan Gas Condenser Complex, the installations of which are scattered over a sandy steppe at great distances from one another.

There are difficulties in carrying out an experiment. There is much need for coordination, honing and fine tuning. That is just the direction the work is taking now.

12697  
CSO: 1827/189

## HOUSING AND PERSONAL SERVICES

### LIMITATIONS OF BELORUSSIAN CONSUMER SERVICES NOTED

Moscow PRAVDA in Russian 2 Mar 84 p 3

[Article by PRAVDA correspondent A. Simurov, Minsk in column "Man and the Sphere of Service." "It is Necessary for the People, It is Not Advantageous to the Firm; Get Rid of the Rules; Spirit of Enterprise, Again the Spirit of Enterprise!: Always Refuse the Simpler..."]

[Text] I shall not dispute that consumer service is developing in Belorussia. How successful is it? If one judges by statistical summaries and accounts, it is not bad. In 1983 the volume of consumer service rose by 6.7 percent in comparison to 1982. The BSSR Ministry of Consumer Services reports with clear satisfaction that the number has already topped 600. However, people say that the service is greater than 600, but it has not become easier for us--indeed, we obtain the most necessary of them with many difficulties and frequently not on time.

In order to understand what this is all about, let us turn to the facts. At our request, the local trade union committee of the Minsk Machine-Tool Building Plant imeni Kirov queried the enterprise workers. And this is what was reported. At the 300th collective, the self-service laundry allots...91 tickets, and the waiting list is several times greater. Moreover, tickets are allotted chiefly in the daytime hours. Does this mean that one has to take off from work?

The machine-tool building workers also expressed other grievances. The dates when orders are to be filled are systematically broken. Distribution of receiving points up to the end is not thought through.

Grievances, grievances.... And this is only one plant. And for the city? Who is to study the demand of the people for service, and how is the study to be done? There should be something like a place where this demand could be clearly identified. The question concerns the reference-information service of the Minsk administration for city life. In the telephone book its number is 067. The service is located in a small six-meter room. There are five telephones on the desks, and all are ringing constantly from morning to night.

"More than 2,000 return calls are made per day," says the weary dispatcher A. Bogom'ya. "What don't we hear: requests complaints and reproaches. There is almost no gratitude."

What do the people ask for? The manufacture of keys for automobiles, repair of children's toys, the provision of nurses for taking care of infants, the cleaning of suede jackets, the dyeing of leather briefcases and the replacement of fans in windows. And many, many other things--too many to count. The majority of such services must be rendered by the Raduga [Rainbow] firm. Do the staff members of the reference-information service accurately communicate the character of the demand of the people to the managers of the firm? And beyond this? The dispatchers raise their hands in dismay: Raduga is silent, and the telephones continue to ring without interruption.

Naturally, the firm is not idle. The wheels of its machinery are turning. But are they always going to the requisite direction?

Raduga is a solid enterprise. In the city it has five production sectors and a sufficiently ramified network of reception points. The price list has 72 forms of service. But when it is a matter of specific help, they say that the firm does not do everything it promises and which it should be doing. This occurs for different reasons.

There are services which are especially on the mind of the managers of the firm, most of all its director V. Ignatovich. It is on their mind because they significantly contribute to the fulfillment of the plan. For example, there is the bookbinding business. Special shops have been built. It is not important that not very many orders are received from the people. On the other hand, there are different institutions and organizations which bind their archive records. The outlook is promising--we use a lot of paper at present.

There is another extremely profitable form of service: courses in dress-making and sewing and knitting clothes. Now more than 3,000 people are studying such courses at 14 places. There is not much concern about them: a teacher is hired, a place is rented (in any housing office or house management committee it is possible to find a room for businesses) and each student is charged 55 rubles for a course of study. And that is the whole matter. And the plan is fulfilled.

It should be remembered that above all the demands of the people need to be satisfied and they are forgotten pretty often. Minsk citizens, for example, use such a service as the reprint of manuscripts by great demand. Raduga arranges a special typewriting office. But the people usually leave unsatisfied. The quality of fulfillment is low, the machines are old and the letters are knocked off. Not one had Belorussian type. An important Raduga engineer G. Pashkovskaya complains: We cannot buy or obtain typewriters. The BSSR Consumer Services Ministry argues back: There are no problems--the machines are being manufactured. As for Belorussian type, the managers of the firm need to show a little initiative. Alterations of the machines is a simple matter; two letters in all need to be substituted.

Naturally, not everything is under control of the managers of Raduga or the ministry. Unfortunately, a number of restrictions and instructions exist which have clearly become obsolete and have become a hindrance to the

development of the service. Let us say a Minsk citizen wanted to wish friends happy returns of the day. He goes to the Consumer Services Buro on Urits Street. He tells the address of the friends, asks for a box of candy and a bouquet of flowers to be sent and leaves the money. The order is taken from him extremely reluctantly. The first question is where the candy and flowers are to be bought. They have to stand in line in a store. The next question is the cost of the delivery. Very well, if 10 orders are received per day, payment for a car for their transport does not produce a loss. But usually this business is unprofitable. Then buro workers try to "trim" unprofitable missions.

Many residences are being built in Minsk. Therefore, the demand for furnishing living quarters has grown especially in the last few years. Raduga is also concerned with this. However, up to now its possibilities have been limited.

In one of the new multi-story houses of the Yugo-Zapad [Southwest] microrayon, the following scene was observed recently. At the door of the apartment where new homes were going up, a Raduga worker and an enterprising resting worker clashed. The former turned to the resident of the apartment:

"Raduga firm. We shall hang the curtains, fit the locks and cover the doors," and he unrolled the black and dark brown material.

"And a lighter color is not to be found?"

The resting worker here proposed cherry or imitation oak. He was instructed to cover the door.

Explaining his failure, the Raduga worker said:

"They have even gone to the Baltic states for materials; they are bought up in stores. We are a firm, and they do not sell us anything by check."

The deputy of the BSSR Finance Ministry E. Yukhovets explained the "error" of this worker to me: According to the recently established order of organizations and institutions they may purchase for cash goods in stores which cost up to 2 rubles 50 kopecks. For payment by check, i.e., through a bank, they will sell them no retail goods. And such an order is established for attracting consumers.

Probably there is a good reason for such a decision. However, as life shows, it is time to make exceptions for consumer service. The agency serves the people and at the same time answers for its means. Because of existing organizations, only the state loses in the acquiring of materials.

The Consumer Services Ministry knows very well the difficulties and deficiencies in the work of the Raduga firm. More than that, they think that these negative occurrences are characteristic of other enterprises of the branch. A number of services important to consumers are unprofitable, and, therefore, their development falls behind demand. The output of the branch manager is seen first of all in the expansion of the so-called production activity of the profitable enterprises.

"Exactly because of this," calculates the head of the Finance Branch of the Ministry N. Danilevich, "we can also cover losses. The BSSR Gosplan and Ministry of Finance support us here."

What exactly is this productive activity? Chiefly it is mass production of sewing products, footwear, etc. It is also increase in the relative share of the fulfillment of the orders of the organizations and institutions in total volume of services. We shall say frankly that a plan can be fulfilled, and the people will not obtain the services they need, and that too much energy and time are expended on consumer self-service. Indeed, the chief state advantage, the service, utility consists of the fact that these costs are reduced to a minimum.

A sure way is further improvement in planning, improvement in the provision of materials and technology for consumer service, the raising of the interest of the collectives, of its enterprises in the improvement of consumer service.

There is an experiment aimed exactly at this, which will begin in a number of autonomous republics and RSFSR oblasts on 1 July this year.

However, not waiting for its results, even today one should be bolder and use inner resources more fully. And for this it is necessary to develop the socialist spirit of enterprise, to rebuild skill rapidly, and to go to meet the demands of the people. In the first plan one's own departmental interests should not be set forth, but the concerns and troubles of the people, who up to now have not had many workers in consumer service--from inspectors of the Minsk firm Raduga itself to managers of the BSSR Consumers Services Ministry.

12410  
CSO: 1827/181

CONSUMER SECTOR POLICY AND ECONOMICS

BSSR LIGHT INDUSTRY MINISTRY NAGIBOVICH ON ECONOMIC EXPERIMENT

Moscow PLANOVYE KHOZYAYSTVO in Russian No 2, Feb 84 pp 47-52

*(Article by L. Nagibovich, BSSR minister of light industry: "An Economic Experiment in Belorussia's Light Industry")*

*[Text]* Since January 1984 the production associations and enterprises under Belorussia's Ministry of Light Industry have been operating under the conditions of a new economic experiment in accordance with the decree of the CPSU Central Committee and the USSR Council of Ministers on expanding the rights of the production associations (enterprises) in planning and economic activity and with regard to strengthening their responsibility for the work results.

Implementation of this important political and economic measure was preceded by a great deal of organizational work. Within the network of party and Komsomol courses and the economic education of the workers, a study was conducted on the essence of the experiment along with ways and methods of carrying it out. During the preparatory period and in the course of introducing the experiment permanently functioning commissions on coordinating operations were set up in the ministry, production associations, and at enterprises. It was also required to work out a number of methodological documents, obligatory for the ministries and departments whose activities are closely linked with this sector.

Success in this experiment depends, to a large extent, on the smoothly coordinated work of the material and technical supply, chemical industry, agriculture, construction ministries, railroad and truck transport, and trade organizations. From the very first days of conducting the experiment, therefore, a clearly delineated, mutual responsibility and a strict observance of relations have been necessary.

An important condition of the economic experiment has been the drawing up of a well-founded, taut plan for 1984, conditioned by the use of new plan indicators which reflect most completely the efforts of the labor groups to achieve higher work results. In the one-year plan for the associations and enterprises an indicator will be set for the amount of output to be sold for the purpose of evaluating the performance of the pledges with regard to product deliveries in accordance with the agreements which have been concluded rather than the growth of production in general.

In 1983 certain enterprises permitted violations in the product assortment to occur, and this resulted in the non-fulfillment of the agreed-upon obligations. During the current year such a situation is not allowable. For each percentage point of non-fulfillment of plan sales, taking into account the obligations for deliveries in accordance with the agreements which have been concluded, an enterprise loses 3 percent of its material-incentives fund, and penalty fines will be exacted, which, in turn, will lead to a reduction in the enterprise's profits. Preliminary results bear witness to the fact that not all the production groups met their quota for product sales and deliveries in 1983. If the agreed-upon conditions are fully observed, the material-incentives funds will be increased by 15 percent. Fulfillment of the delivery plan in accordance with the agreed-upon obligations is of great importance, inasmuch as their disruptions would lead to the failure to receive products which are necessary for the national economy and the consumer. The measures provided for by the experiment with regard to increasing the material motivation and responsibility of the enterprises to fulfill the agreed-upon obligations will increase the delivery discipline.

Other evaluative indicators are a rise in product quality, growth of labor productivity, increase in profits, and the putting into operation of new production capacities and facilities by means of centralized capital investments. Thus, in contrast to past years, in order to step up the role played by enterprises in working out plans and for the fullest possible utilization of internal-production reserves, the number of evaluative indicators for the associations and enterprises have been curtailed. For example, if in 1983, 22 indicators were set up for them, including 6 for the volume of production, in the experimental year this figure has been set at 12, among which only one is for production (the output of high-quality, new items). For Belorussia's Ministry of Light Industry as a whole the production of output in physical terms used to be planned with regard to 124 points, while now this figure is 24. Consequently, the experiment provides such economic conditions as intensify the motivation of the labor groups to satisfy consumer demand more fully, to speed up the growth of production efficiency, and to use resources economically.

At the same time that the number of approved indicators is being limited, there is an expansion in the use of stable economic norms, with the aid of which the funds for production development, wages, material incentives, socio-cultural measures, and housing construction have been set in direct dependence on the growth of production and its increased efficiency, as well as on the level of plan-assignment fulfillment. Analogous measures make it possible for the groups at the production associations and enterprises to reduce production expenditures, work with fewer numbers, and improve the product quality. Moreover, all of the above-plan profits are not withdrawn and put into the state budget but remain at the disposal of the enterprises.

The plan for 1984 was drawn up in accordance with the new requirements and methods of economic management; at the beginning, moreover, it was formulated in the associations and enterprises on the basis of control indicators given by the ministry. Such an approach to planning creates extensive possibilities for increasing the activity and initiative of production groups in the achievement of high end results in their activities.

During the period of preparations for the experiment certain enterprises submitted proposals regarding an increase in production output as compared with the control figure outlined by the ministry. For example, the Beteruysk Leather Combine, in order to come up to the planned amounts of the five-year plan, increased its production of chrome by 10 million  $dm^2$  [square decimeters]; the Prest Hosiery Combine, in order to provide production lines with a fuller amount of raw materials, adopted an increased plan for the output of texturized threads by 200 tons, etc.

The 1984 plan has provided for a considerable renovation of the product assortment as follows: with regard to the models and color patterns of shoes, it amounts to 99 percent, as compared with 82 percent in 1983; for knitted outerwear--these figures are 68 and 56 respectively; for fabrics--65 and 61; for knitted underwear--53 and 49; and for sewn garment items--61 and 58. Moreover, provisions have been made to improve the models and designs, to utilize new raw materials and other materials, and to develop up-to-date types of items. Belorusia's Ministry of Light Industry, together with the republic's Ministry of Trade, are conducting a constant search for new forms of work, aimed at more completely satisfying the population's demand for goods.

During the course of the wholesale marketing of items at the republic's fairs and upon the demand of the Belorusian Ministry of Trade, this sector's enterprises have replaced the assortment of sewn garments in an amount worth 25.8 million rubles (instead of coats made of woolen fabrics, jackets and coats will be made of artificial leather and fur, mixed and cotton fabrics); the sale of shoes made of natural lac [?] and synthetic and artificial leather, and of gloves will be curtailed. Enterprises of the woolen industry have cut back on their output and delivery of expensive, pure-wool fabrics, the demand for which has decreased.

The process of drawing up prices and extra payments for output produced has been simplified by the provisions of the economic experiment. For the first time the ministries have been granted the right to approve, upon reaching agreement with the customers, wholesale prices on the first, experimental batches of items in a sum-total of up to 500,000 rubles and up to 100,000 rubles for enterprises.

The Minsk fine-cloth specialists have developed a new, pure-wool coat fabric with a lengthened pile; it is entitled "Model-441-83" and is enjoying a heightened demand. The right of an association to set well-founded prices for the first experimental batches of items has already permitted this fabric to be delivered to garment-sewing enterprises during the first quarter.

Under the new conditions it is important to have a further development of trade by the firms in the experimental batches of items, the allocation of additional capital investments, the training of skilled personnel, etc. The republic's Gosplan ought to provide for allocating special funds for the sale of experimental batches. Four enterprises of the republic's Ministry of Light Industry--the Mogilev Experimental Shoe Factory, the Grodno Neman Shoe Association, the Minsk Progress Production Knitted-Goods Association, and the Orsha Linen Combine--are participating in an experiment conducted by the Committee on Prices; its essence boils down to a simplification of the approval of prices on new goods of improved quality. Practical experience has shown that the

time interval from the development of a model to its being put into production and sold has been significantly reduced. This is important in principle. The experience which has been accumulated requires further study so that the correct conclusions may be drawn.

Solution of the given problem depends on stable material-technical support. Purposive work is being conducted along these lines. In agreement with USSR Gosplan, a products list has been specified, and funds for its delivery have been allocated. Limits have been set for the enterprises, and funds have been granted for the principal types of raw materials. The organs of material-technical supply must intensify their monitoring controls over the funds for the enterprises engaging in the experiment.

Successful conduct of the experiment in light industry requires a high degree of responsibility, operational efficiency and a sense of enterprise on the part of every structural subdivision of the sector, every manager, specialist, and worker. It is necessary to have a firm labor, plan, and contract discipline. There is a basis for this. Over the course of a number of recent years the ministry has fulfilled and overfulfilled the tasks assigned by the national-economic plan. The entire increase in the production volumes has been achieved by means of a growth in labor productivity. One out of every three items has been awarded the state Badge of Quality. In 1983 output exceeded the plan by an amount worth 75 million rubles. With respect to the growth rate for the volumes of production, 10 enterprises have reached the level planned for the end of the five-year plan. More than 30 labor groups have significantly exceeded the tasks assigned for three years. Among the leading enterprises are the following: the Minsk Komsomolka Production Garment Association, the Bobruysk Leather Combine, the Mogilev Ribbon-Weaving Mill, the Lida Shoe Factory, the Minsk Leather and Hatterdashery Factory imeni Kuytyshev, and others.

The republic has at its disposal a well-developed economic and production potential. With respect to the level of technical equipment and production technology being applied, most of the production associations and enterprises are at the level of the entire country's leading light industrial enterprises and in certain cases surpass them. The proportion of pneumatic and micro-shuttle looms in the silk sector has reached 85 percent (as compared with 52 percent for the Soviet Union on an average); for shuttle-less looms in the woolen industry this figure has reached 91 percent (for the Soviet Union as a whole it is 80 percent); 60 percent of the linen plants today have introduced automated systems of control and regulation of the processes of thermal flax-retting (as compared with a 32 percent average for the country as a whole). Functioning in Belorussia's light industry are more than 1200 technological assembly lines and other lines (of these, more than 72 percent are mechanized and automated), in which more than 40 percent of the total pool of technical equipment is concentrated.

At the present time 17 of the sector's largest associations and enterprises (the Frants Order of Lenin Linen Combine, the Minsk Order of Lenin Worsted Combine, the Brest Hosiery Combine, the Baranovichi Cotton Combine, the Vitetsk Carpet Association, and others) have comprehensively mechanized basic production units. On the whole every second basic production shop has been comprehensively mechanized. This made it possible in 1983 to cut back to 25 percent (as compared to 32.7 percent in 1975) the proportion of workers engaged in manual labor.

Nevertheless, not all the potentials are being fully utilized. More than 40 percent of the technical equipment in this sector has been in use for more than 10 years. In the cotton industry the proportion of pneumatic spinning machines and shuttleless looms is below the average in this sector for the country as a whole. Robotic means are being introduced slowly.

Associations and enterprises have been granted the right to utilize the fund for production development in order to re-tool, likewise a portion of the amortization deductions intended for capital repairs, and this creates genuine possibilities for independently carrying out the complex of operations relating to the re-tooling of production lines.

In 1984 the development fund has been calculated as 27.8 million rubles, of which 22.6 million rubles are being directed into re-tooling as non-centralized capital investments. Certain enterprises have carried out necessary and effective measures at a cost exceeding the means available in the development fund. Therefore, together with non-centralized capital investments, the plan has also provided for centralized investments amounting to 12.4 million rubles.

For the sector as a whole, the 1984 plan, by using the means of the production development fund and measures for re-tooling fixed assets, the economic effectiveness is characterized by the putting into operation of fixed production assets valued at 26.4 million rubles; by increases in production capacities as follows: for knitted outerwear and underwear--4.3 million pieces; stockings and other hosiery items--2.4 million pairs; leather shoes--200,000 pairs; garment items as expressed in normative processing cost--900,000 rubles; growth in labor productivity--by 1.3 percent; reduction in the proportion of workers engaged in manual labor--from 24.9 to 23.9 percent; a lowering of production costs--by 5.3 million rubles; as well as by savings on material and fuel and energy resources adding up to 1.5 million rubles.

Development of the sector is linked to the completion of construction work on the following projects: the Kobrin Spinning and Weaving Factory, the Mogilev Silk Fabric Production Association, the Brest Carpet-Cloth Production Association; renovation of the Minsk-Leather-Goods and Haberdashery Factory imeni V.V. Kuybyshev, the introduction of new production capacities at the Chauskiy Linen Plant and the Grodno Fine-Cloth Combine. As a result of this, the production volumes of finished fabrics will grow by 15.3 million m<sup>2</sup>, carpet items, as expressed in the normative processing cost--by 4.5 million rubles, and linen thread--by 4,300 tons.

The principal purpose of this experiment is to satisfy the demands of working people for high-quality consumer goods. Improvement in the quality of goods--their consumer qualities--is an important question of the party's economic policy. Under the conditions of this economic experiment the sizes of the deductions from the profits for the material-incentives fund depend on the quality of the goods being produced. Additional deductions are made for each percentage point of the proportion of highest-quality consumer goods within the total volume of production output achieved prior to 1981. Deductions for the material-incentives fund are being made in the amount of up to 1 percent for every percentage point of the proportion of these goods achieved during the ensuing years of the five-year plan, including 1984 as well--up to 2 percent.

of the plan fund. On the whole, the material-incentives fund, by means of producing high-quality items planned for a specific year, can be increased by as much as 25 percent.

At the same time, in case of a return to the enterprises of low-quality product, deductions for the material-incentives fund, as provided in the plan for the corresponding period, are reduced by 3 percent for every percentage point of low-quality product.

During the current year, along with production output as expressed in physical terms, it is planned to produce high-quality new items in the following group of goods: stockings and other hosiery, knitted under-wear and outer-wear, leather shoes, products of the garment industry, rugs and carpet-type items. This indicator has been approved by the USSR Ministry of Light Industry. Practically, in order to fulfill the established share of output with the Bagie of Quality, it is also necessary at the same time to produce such a good in proper quantities. Because of this, the fulfillment of the plan with regard to product-quality becomes complicated and requires great efforts and a high degree of skill from workers in light industry.

In 1984 the increase in the cost-accounting motivation and responsibility of production groups for the end results of work will be served by the transition to the normative methods of forming funds for labor payments--wages and material incentives. In associations and enterprises the wage fund will be formed according to the normative wages per ruble of output (for each percentage point of increase in the normative net output), whereas in the garment enterprises--it will be in accordance with the normative processing cost. This is important for observing the economically well-founded relationship between the growth of labor productivity and the growth of the average wage. At the present time 13 rubles worth of consumer goods are being produced per ruble of wages. The given indicator is the best within the country's system of light industry. The following ratio has taken shape at the existing enterprises: the labor productivity of industrial-production personnel is increasing by 3.2 percent with a growth in the production volume accordingly of 2.3 percent and of the average wage--by 1.7 percent. Moreover, the normative increase in the wage fund for all enterprises amounts to 0.3 percent, with the exception of the Bell'novolokno Industrial Association, where this figure is 0.48 percent. This is connected with the conversion of the linen plants to a three-shift operation.

Under the conditions of the experiment the limits on the number of persons working at the associations and enterprises are set by agreement with the territorial planning organs. Appropriate work is being conducted in the localities with regard to improving the setting of labor norms. There has been an expansion in the application of sectorial and inter-sectorial norms. The movement of multi-machine operators for conversion to increased service zones is growing. In this sector more than 75 percent of the workers are working in accordance with norms which are more progressive than the sectorial norms.

The brigade forms of organizing and providing incentives for labor are being developed. At the start of 1983 more than 60 percent of the workers were

encompassed by the brigade form. However, there are still considerable reserves here. Improvement in the setting of norms for the labor of auxiliary workers is slow. Only 64 percent of the workers employed in brigades are working by the standardsized job authorization. At a number of enterprises wages are growing more rapidly than labor productivity.

In connection with this, specific measures have been outlined in the ministry, associations, and enterprises. In particular, by means of improving labor organization and norm setting provisions have been made to bring 70 percent of the workers into the brigade form of labor by the end of the five-year plan, the proportion of technically based norms of production (by the number of piece-workers)--to 97 percent, to expand the sphere of setting labor norms for time-rate workers (to 91 percent), to ensure a reduction of labor expenditures on production output (by 4 percent), to increase the zone to be serviced by workers on several machines (by 4.6), and to cut back on the number of auxiliary workers (by 7 percent).

Nor has attention been lacking to questions connected with socialist competition, the results of which will be summed up by such basic indicators as fulfillment of plan tasks with regard to volume of product sales, taking into account the obligations for delivery in accordance with the agreements concluded; product quality; the growth of labor productivity; increase in profits; the putting into operation of production capacities by means of state, centralized capital investments, etc.

Upon agreement with KGBP Goskcontrad (State Committee for Labor and Social Problems) and the AILPRU, a new Model Statute has been approved on the awarding of bonuses to workers in the production associations (centrines) and enterprises of the BSSR Ministry of Light Industry for the basic results of economic activity. What is new in the statute is awarding bonuses to engineers and technicians as well as office employees for fulfilling the delivery plan, the proportion of products in the highest quality category, growth of labor productivity and profits. Furthermore, the statute cites new forms for motivating groups in production brigades; it also increases the responsibility of workers for observing state, production, and labor discipline, etc.

At the same time, the work of the ministry's apparatus has been complicated, inasmuch as the experiment has not provided for motivating its workers, and this makes it difficult to select skilled specialists. In this case it is not a matter of allocating additional funds to wages but rather granting the leading officials of the ministries the right to independently solve this problem within the limits of the established wage funds.

Belorussia's Ministry of light industry has also set specific measures with regard to implementing the decree of the KGB Central Committee and the BSSR Council of Ministers concerning the conduct of this economic experiment. It is necessary to apply all our efforts to ensure the growth of production efficiency in this sector and to fulfill the tasks assigned by the plan.

REFERENCE: Sainstvito "Akademi". "Planovo - kto, kak, chto", 1981.

2384

CSO: 1827/213

## CONSUMER SECTOR POLICY AND ECONOMICS

### GOSBANK OFFICIAL EXAMINES WHOLESALE GOODS TURNOVER

Moscow DEN'GI I KREDIT in Russian No 2, Feb 84 pp 69-73

[Article by I. L. Blinchevskiy, deputy chief, Gosbank Board Crediting Trade Administration: "Analysis of Wholesale Goods Turnover"]

[Text] Wholesale trade in consumer goods is one of the form of goods turnover -- its first stage, which ties the production of material goods with the sphere of consumption. Its primary task is to establish economic ties between industrial and agricultural enterprises and retail trade. The development of wholesale trade has been given great importance at all stages of socialist construction.

The 26th CPSU Congress pointed out the need for increasing the responsibility of wholesale trade for uninterrupted supply of stores with goods in the necessary assortment and for increasing its role in developing economic ties between industrial, agricultural and trade enterprises and organizations based on the development of contract relations.

The basic indicator of the economic activity of enterprises and organizations in wholesale trade of the union republic trade ministries is wholesale goods turnover, which characterizes the volume of realization of consumer goods for their subsequent sale to the population through the retail trade network and public catering enterprises, as well as delivery of goods for non-sale consumption and export.

Depending on the direction of commodity resources by their destination, wholesale goods turnover is subdivided into three types: wholesale goods turnover for sale of goods to consumers, inter-republic wholesale goods turnover, and intra-systemic wholesale goods turnover.

The make-up of wholesale goods turnover for sale of goods to consumers includes: sale of marketable goods to enterprises and organizations in retail trade and public catering located in the region of activity of the wholesale base; delivery of goods to extra-market consumers (for industrial processing and industrial consumption) regardless of their location, if the funds for the goods are allocated in a centralized manner.

The make-up of wholesale goods turnover for sale also includes the cost of goods in the extra-regional fund (goods delivered beyond the boundaries of the regional base, at the orders of centralized holders of capital -- Consumer cooperatives, work supply administrations, the state printing office and other centers of trade systems); the cost of goods delivered to the retail trade organizations within the region of activity of the wholesale base according to trade agreements with the industrial enterprises and the non-market consumers, if this delivery is done with the participation of the wholesale base; the cost of delivered goods for export (with participation of the base). The make-up of wholesale goods turnover by sale includes the sale of goods purchased from one set of retail enterprises (leftover goods) by other enterprises in retail trade or by non-market consumers.

Inter-republic wholesale goods turnover reflects the delivery (export) of goods beyond the boundaries of that union republic in which the wholesale supplier base is located to the market funds of other union republics, as well as by contract agreements and one-time orders for delivery of goods to be freely bought and sold in this republic.

Intra-systemic wholesale goods turnover is planned in the union republics which have oblast division, and represents the mutual release of goods to bases which are part of the same system within the boundaries of the same union republic or, upon request -- directly to the enterprises and organizations of retail trade and public catering located in their service regions.

All the types of wholesale goods turnover comprise the gross wholesale goods turnover.

By the forms of sale, i.e., depending on the organization of movement of the goods from the place of production to the place of consumption, wholesale goods turnover is subdivided according to each of its types into warehouse and transit turnover. In warehouse turnover, the wholesale sale of goods is done from the warehouses of the wholesale enterprises where the goods received from the suppliers are formulated into a trade assortment. Transit goods turnover is the delivery (shipment) of goods to buyers directly from the supplier enterprise warehouses, bypassing the wholesale base warehouses, but at their orders (or requests), and on account of the plan for delivery (or contract agreement) of the wholesale base.

Depending on the method of accounting for shipped goods, distinction is made between transit turnover with inclusion in accounting and without inclusion in accounting (organized transit). In those cases where the suppliers, presenting bills for payment for shipped goods to the wholesale base also write out a bill from the wholesale base to the buyer to whom these goods were shipped directly, the wholesale bases, participating in payment for the goods with their working capital, also use Gosbank credits and settle with the budget according to the turnover tax. They also receive wholesale-marketing discounts in established amounts.

Deliveries of goods in which the wholesale enterprises pay only the transport expenditures for delivery of the goods to the point of destination and obtain remuneration for these expenses in fixed amounts of wholesale-marketing discounts are also considered to be part of transit turnover with inclusion in accounting.

Warehouse goods turnover and transit turnover with inclusion in accounting are recorded by time of payment received from the buyers on a special loan (accounting) account of the wholesale base. Transit goods turnover without inclusion in accounting is recorded according to time of goods delivery on the basis of copies of bills, register receipts, and other documents replacing them. The cost of goods delivered (shipped) in the accounting quarter by transit without inclusion in accounting may be recorded in the wholesale goods turnover of the appropriate quarter (by months), only according to the documents which have been received at the base before the established deadline for presentation of the quarterly bookkeeping report. Documents received after this time are recorded in the wholesale goods turnover as they are received from the suppliers.

The union republic Ministries of Trade set a plan of wholesale goods turnover for the republic wholesale organizations. This plan includes the wholesale goods turnover by sale of goods to consumers and inter-republic goods turnover (with breakdown of each type), including turnover with accounting. The overall sum of wholesale goods turnover by these two types comprises the gross wholesale goods turnover of the union republic's Ministry of Trade and the republic wholesale organizations. In turn, the republic wholesale organizations establish the wholesale goods turnover for their subordinate enterprises by sale of goods to consumers, as well as inter-republic and intra-systemic turnover, including turnover included in accounting for these three types. Distinguished within the overall volume of wholesale goods turnover are wholesale turnover by sale of goods to consumers and inter-republic turnover. In determining the level of gross income, the marketing costs, and the profitability of wholesale trade on the whole in the union republic and in the individual republic wholesale organizations, the basis used is the goods turnover with inclusion in accounting according to two different types -- sale of goods to consumers and inter-republic turnover. The wholesale bases use the indicator of wholesale goods turnover included in accounting for this purpose, i.e., the entire warehouse and transit goods turnover included in accounting.

The analysis of the wholesale goods turnover is done according to the effective bookkeeping and statistical reporting on the sale, delivery (shipment) and remainder of produce and non-produce goods (according to the market and non-market fund): "Report of sale and shipment", trade form No 4. Also used for this purpose are reports on wholesale sale of individual groups of goods (supplement to report according to form No 4); reference materials on balance of plan fulfillment for goods turnover, reporting on forms No 4-sb (wholesale) "Report on the Sale, Shipment and Remnants of Goods,"; No 1-sb (wholesale), "Report on Receipt, Expenditure and Remnants of Goods," and other statistical reporting ratified by the USSR TsSU [Central Statistical Administration] for enterprises and organizations of wholesale trade of the union republic trade ministries. Other sources used are primary accounting data, correspondence with suppliers and buyers, materials on the study of market conditions and popular demand, and one-time surveys and investigations of the work of wholesale bases.

The main purpose of analyzing the wholesale goods turnover is to define the state of goods movement from industry to the enterprises and organizations of retail trade and the non-market consumers. For this purpose, the fulfillment of the plan for wholesale goods turnover is examined as a whole, including turnover by types (sale to consumers, inter-republic and intra-systemic turnover), by forms of sale (from warehouses, by transit), by structure (by groups of goods). Also examined are: the dynamics and growth rates (reduction) of wholesale goods turnover on the whole and by all of its types, forms and functions; the relative share of each of the wholesale goods turnover indicators in its overall volume; and tendencies in the development of individual types and forms of wholesale trade turnover. In performing the analysis it is also necessary to examine the relation of wholesale and retail sale according to individual groups of goods and the degree of participation of the wholesale organization in provision of retail goods turnover by product nomenclature.

It is expedient to begin the analysis with an evaluation of plan fulfillment for the overall volume of wholesale goods turnover according to types and forms of goods movement, having compiled a table of the following form for this purpose (see Table 1).

As evident from the tabular data, the wholesale base for the accounting year slightly underfulfilled the plan for gross wholesale goods turnover -- by 21,000 rubles, or 0.1 percent. At the same time, warehouse goods turnover was overfulfilled by 25,000 rubles, or 0.2 percent, while transit turnover was underfulfilled: with inclusion in accounting -- by 37,000 rubles, without inclusion in accounting -- by 9,000 rubles. Wholesale goods turnover by sale was overfulfilled by 34,000 rubles, or 0.2 percent, and inter-republic turnover was overfulfilled by 6,000 rubles, or 0.4 percent.

As compared with the preceding year, the gross wholesale goods turnover increased by 4.4 percent (with a planned amount of 4.5 percent). At the same time, warehouse goods turnover increased by 5.3 percent, transit goods turnover included in accounting increased by 3.8 percent, and transit turnover not included in accounting increased by 2.4 percent. The higher growth rate for warehouse goods turnover (by plan and in reality) was caused by the need for better sub-sorting and assortment of goods upon delivery to enterprises and retail trade organizations.

At the same time, the increase in transit goods turnover with and without participation in accounting (with a slight plan underfulfillment) was facilitated by specialization and expansion of retail enterprises in the region of the base's activity.

An analysis of the relative share of goods turnover in the overall volume broken down by types and forms of wholesale goods turnover is interesting. An example of such an analysis is shown in Table 2.

In the cited example (see Table 2), for the wholesale organization the volume of goods turnover on the whole for all its types is more than half comprised of transit goods turnover. Warehouse goods turnover comprises 45.2 percent of the gross wholesale goods turnover (generally by sale). The relative

TABLE 1. FULFILLMENT OF PLAN FOR WHOLESALE GOODS TURNOVER  
AT \_\_\_\_\_  
BASE FOR THE YEAR 198<sub>1</sub>.

Types and forms of wholesale goods turnover	Yr preceding accounting yr, thous rub.	Accounting year						Deviation from plan, thous rub.	Plan fulfillment, %
		By plan		By accounting		thous rubles	% of preceding yr		
		thous rubles	% of preceding yr	thous rubles	% of preceding yr				
Wholesale goods turnover by sale	18,000	18,846	104.7	18,000	104.9	+34	100.2		
Inter-republic turnover	1,400	1,474	105.3	1,480	105.7	+6	100.4		
Intra-systemic turnover	3,400	3,454	101.6	3,440	101.2	-14	99.6		
Total gross wholesale goods turnover, including:	22,800	23,821	104.5	23,800	104.4	-21	99.9		
a)warehouse	10,300	10,825	105.1	10,850	105.3	+25	100.2		
b)transit with accounting	10,400	10,837	104.2	10,800	103.8	-37	99.7		
Total wholesale goods turnover with accounting	20,700	21,662	104.6	21,650	104.6	-12	99.9		
c)transit without accounting (organized)	2,100	2,159	102.8	2,150	102.4	-9	99.6		

share of transit goods turnover included in accounting is most significant in organizations which conduct the wholesale sale of grocery, textile and bootwear goods. Transit turnover without inclusion in accounting takes up a large relative share in the wholesale trade in meat, dairy and grocery products, as well as clothing, cultural and domestic items.

If there are large divergences in the relative shares of individual types and forms of turnover in the overall goods turnover as compared with the plan and with the preceding year, the reasons determining these changes must be determined on site.

TABLE 2. STRUCTURE OF WHOLESALE GOODS TURNOVER ACCORDING TO TYPES AND FORMS

Types of wholesale goods turnover	Forms of wholesale goods turnover						Total wholesale goods turnover, thousand rubles
	Warehouse goods turnover	Transit goods turnover with inclusion in accounting		Transit goods turnover with out inclusion in accounting			
thousand rubles	relative share of all goods turnover	thousand rubles	relative share of all goods turnover	thousand rubles	relative share of all goods turnover		
Wholesale goods turnover by sales	9,330	51.8	7,230	40.2	1,440	8.0	18,000
Inter-republic turnover	200	14.3	1,020	72.8	180	12.9	1,400
Intra-systemic turnover	770	22.7	2,150	63.2	480	14.1	3,400
Total gross wholesale goods turnover	10,300	45.2	10,400	45.6	2,100	9.2	22,800

To evaluate the role of the wholesale base in ensuring the fulfillment of plans for retail goods turnover by enterprises and organizations in the region of its activity, a comparison is made of the wholesale turnover by sale of individual groups of goods to the indicated retail organizations with the retail sale of these same goods. The indicator showing the portion of participation of the wholesale base in provision of retail goods turnover makes it possible to evaluate its role in commodity supply. Here consideration is given to the fact that the portion of participation by the base in commodity supply depends on whether it is the basic supplier of a specific commodity for retail enterprises and organizations of all the trade systems, or only for the system of the union republic trade ministry.

Wholesale bases perform such an analysis based on the materials of oblast (city) trade administrations, TsSU data (report on form No 3-torg), and the accounting data of wholesale bases. An important factor is the analysis of the wholesale goods turnover by sale of individual groups of commodities to enterprises and organizations in the region where the wholesale base operates and the portion of its participation in supplying retail goods turnover (with

consideration for changes in commodity reserves in retail trade). Here it is necessary to clarify the sources and reasons for the changes in portion of participation by the wholesale base in supplying retail goods turnover, particularly in the case of reduction in the supply of individual groups of goods.

In accordance with the resolution of the CPSU Central Committee and the USSR Council of Ministers dated 12 July 1979, No 695, the evaluation of results of economic management activity by production associations and industrial enterprises and associations, their material-technical supply and trade, as well as their economic stimulation must be performed based on the fulfillment of tasks and responsibilities for delivery of products of industrial-technical function and goods for public consumption in the amounts, times, and nomenclature (assortment) specified in the concluded agreements.

The order of accounting for fulfillment of tasks and responsibilities for delivery of products and goods in accordance with the concluded agreements is determined by a joint instruction on this question issued by the USSR Gosplan [State Planning Committee], USSR Gossnab [State Committee for Material and Technical Supply], USSR Goskomtrud [State Committee for Labor and Social Problems], USSR Minfin [Ministry of Finance], USSR TsSU and VTsSPS [All-Union Central Soviet of Professional Unions] and dated 24 August 1981, No NR-27-D. According to letter No 096-75 from the USSR Ministry of Trade dated 4 August 1982, the indicated instructions were put into effect at enterprises and organizations of wholesale trade of the union republic trade ministries.

The accounting of deliveries of goods to trade organizations from wholesale base warehouses and by transit is performed by commodity specialists at the commodity (trade) sections on the buyer's assortment card and according to commodity groups, and types of products in totals. Each subsequent entry is kept as a running total. This accounting data make it possible to control the deliveries by contract agreement and agreed-upon specification for each retail trade organization. The senior commodity specialist keeps a summary table of all deliveries of goods to trade organizations by warehouses, sections, and the base as a whole.

The most important task of each wholesale organization is to ensure the rhythmic provision of retail trade organizations and enterprises with goods necessary to meet the consumer demand.

In connection with this, the USSR Ministry of Trade has developed the Basic Statutes on the Introduction of a System for Ensuring Rhythmic Commodity Supply to the Retail Trade Network by the Wholesale Trade Enterprises (supplement No 2 to the directive of the USSR Ministry of Trade dated 7 January 1983, No 7, "On Measures for Further Improving Wholesale Trade").

The economists of Gosbank institutions who perform credit-accounting services for the wholesale bases of the union republic trade ministries must become acquainted with the contents of the indicated directive and of the Basic Statutes. These contain a number of specific measures whose implementation will make it possible to significantly improve the interaction between wholesale

bases, industry, and retail trade on the production, delivery and sale of goods of the required assortment and quality to the public.

According to the Basic Statutes, the system of ensuring rhythmic commodity supply to the retail trade network is introduced by stages at the wholesale bases and provides for the comprehensive study of the existing system of commodity supply to the retail trade network from base warehouses and by transit. It also deals with the receipt of goods at the base from suppliers, the condition of commodity reserves and times for sale of goods by groups, the times needed for filling orders by retail trade organizations, the utilization of motor transport, etc.

The ultimate goal is the improvement of mutual relations between the industrial enterprises and other suppliers of the base, as well as with retail trade organizations, the improvement of the system of accounting and control over rhythmic delivery of goods, intensification of control over the delivery of goods in assortment from the industrial associations -- the wholesale base, and deliveries to the trade organizations from the base warehouses and by transit.

Each warehouse and the wholesale base as a whole performs a daily accounting according to an established form of the data characterizing the uniformity of goods delivery to the retail trade network as compared with the plan. The same form is used to perform accounting of the delivery of goods from the base warehouse, with breakdown by goods. The presence of such accounting at the wholesale base makes it possible to familiarize oneself in detail with the state of affairs on ensuring rhythmic commodity supply to the retail trade network.

The active influence by the wholesale organizations on industry in terms of increasing the output, expanding the assortment and improving the quality of consumer goods must be manifested in that, based on the materials of consumer demand study, wholesale fairs and market conditions, it would be possible to annually determine the nomenclature and volume of consumer goods which are in short supply on the market and to introduce specific proposals for increasing their output at the republic Councils of Ministers, the ispolkoms of oblast (kray), or city Soviets of People's Deputies, or the industrial planning and administrative organs. The reduction or cutbacks in production of goods which are in popular demand should not be allowed. Constant and persistent efforts should be made to see that industry formulates its plans for commodity production on the basis of trade orders.

Wholesale bases must give particular attention to improving and increasing the efficiency of contract relations with industrial associations and enterprises. In their concluded agreements, they must provide for volumes of production, expanded assortment, quality of goods, prices, and order of accounting. The reviews of product quality, exhibition-sales, buyers' conferences and other measures implemented by the wholesale organizations in conjunction with industry are of great importance. The result of these must be the removal from production of products which are not in public demand or of low quality and their replacement with new high-quality products which meet

current requirements. The list of functions performed by the wholesale organizations also includes the provision of fairer distribution of commodity resources by rayons and trade organizations with consideration for the peculiarities of development of consumer demand. This is based on a comprehensive analysis of the actual sale of goods, the changes in the reserves, and the growth in monetary income of the workers. Another function of the wholesale organizations is to provide retail trade enterprises with goods of sufficient assortment and to maintain their constant availability for sale.

A controlling factor which largely characterizes the the commercial work of the wholesale organizations is the state of affairs in the retail trade of the base's region of activity. This includes fulfillment of the plan for goods turnover, location and make-up of commodity reserves, uninterrupted sale of sufficient amounts of goods, and fulfillment of the plan for rhythmic supply of goods to the retail trade enterprises. A comprehensive analysis of the state of wholesale and retail trade will make it possible to work out specific proposals for improving the economic management activity of wholesale organizations in accordance with the requirements currently presented to wholesale trade.

COPYRIGHT: "Den'gi i kredit", 1984

12322  
CSO: 1827/220

## CONSUMER SECTOR POLICY AND ECONOMICS

### ROLE OF GOSBANK IN PRODUCTION OF CONSUMER GOODS ANALYZED

**Moscow DEN'GI I KREDIT** in Russian No 2, Feb 84 pp 3-14

[Article by A. A. Obozintsev: "Production of Consumer Goods and Tasks of the Gosbank Institutions"]

[Text] The 26th CPSU Congress noted that the expansion in production of consumer goods and improvement in their quality are one of the important tasks in improving the people's standard of living. The enterprises of the light and food industry have a large relative share in the production of these goods. In the 11th Five-Year Plan, the production of the light industry is increasing by 18-20 percent, including a 19 percent increase in the production of textiles and an 11.5 percent increase in footwear production. In accordance with the decisions of the May (1982) Plenum of the CPSU Central Committee, the production of food products will also increase. Plans have been made to reliably supply the country's population with food products within a short time, as well as to significantly improve the content of the public diet by means of growth in consumption of the most nutritious products. The public demand for such products as cereal, confectionery products, margarine, eggs, and fish will be fully met, and the supply of milk, meat, vegetable oil, and fruit and vegetable products will be improved.

The decisions of the Congress and the subsequent decisions of the party and the government provide for an increase in the role of heavy industry enterprises in supplying the population with consumer goods. For this purpose, the output of goods of cultural-domestic function, everyday chemical products, furniture, radio and television apparatus, and complex domestic technology will be increased by these enterprises.

For purposes of growth in the production of consumer goods, the necessary volume of procurement of agricultural products and delivery of industrial raw material is being planned. Funds are being allocated for creating a material-technical base for enterprises manufacturing consumer goods.

The large tasks facing the industrial enterprises were defined by the resolution of the CPSU Central Committee and the USSR Council of Ministers dated 29 April 1983, "On Additional Measures for Improving the Provision of Consumer Goods to the Population in the Years 1983-1985." By its significance, this resolution by the CPSU Central Committee and USSR Council of Ministers is a program

document. It is directed at ensuring the more complete satisfaction of the Soviet people's demands.

In accordance with this resolution, during 1984-1985 the enterprises producing consumer goods must eliminate the lag in production of consumer goods behind the control figures set for the 11th Five-Year Plan.

A significant number of enterprises are not fulfilling the plans of consumer goods production set for them or meeting the delivery schedules to trade organizations. Many enterprises in light industry are not meeting the plans for sale of production in accordance with the delivery contracts. This is happening under conditions when most of the enterprises are fulfilling their plans by volume indicators, and some of them are manufacturing products which have not been ordered or those which are not in popular demand. The instances of correcting plans in the direction of reduced production volumes or of irregular operation of enterprises also have a negative effect on the fulfillment of delivery plans.

Certain work must be done by the industrial enterprises on improving product quality. As we know, the manufacture of low quality products is of great detriment to the state. The improvement in product quality is all the more necessary because poor quality products are manufactured from good quality raw materials. Enterprises are still slow in increasing the output of products with the index "N", and the product assortment is not being renewed fast enough. All this leads to the situation whereby the demands of the population for needed goods are not being met in full volume.

At the present time, the role of local organs of the republics, krays, oblasts, and individual enterprises is being activated in terms of increasing the production of consumer goods. This is important because the growth in production of these goods still does not meet the demand. The volumes of commodity production are insufficiently tied in with the wage funds of the appropriate ministries and departments, and the necessary balance between monetary income and expenditures by the population in a territorial breakdown is not always ensured.

In the interests of most fully satisfying the public demand and strengthening monetary turnover, the USSR State bank, through its institutions, is organizing work on seeking out possibilities for increasing the production of consumer goods.

We must note that work on the control of production and delivery of consumer goods is closely tied in with work on monetary turnover. The bank institutions report to the local management organs on the state of the course of production and delivery of consumer goods to the trade network. At the same time, they make appropriate suggestions with consideration for the interests of ensuring fulfillment of the cash plan.

Proposals for the additional production of consumer goods are submitted on the basis of examining the materials for the project plan for economic and social development. Thus, on the basis of these materials, the Russian

Republic Office of Gosbank submitted proposals for increasing commodity production in 1983 by better application of the existing and newly operational capacities as well as the material and labor resources throughout the enterprises of the RSFSR light and textile industry.

A number of USSR Gosbank offices and institutions are performing significant work in seeking out additional resources and capacities for the production of consumer goods and are actively using bank credit for ensuring commodity production. In the Russian Federation, for example, bank credit is being used to provide the successive growth in the volume of consumer goods production. The bank offices and institutions in the republic are giving much attention to increasing the effectiveness of credit given to enterprises which manufacture consumer goods. For purposes of strengthening the credit influence on enterprises which allow the manufacture of goods which are not in demand, credit is not given on raw goods and materials intended for the production of these commodities.

Practical measures for increasing influence through the credit-accounting mechanism on the liquidation of delays in fulfillment of production plans, in delivery of goods to market, and in seeking additional means for increasing their production are examined at the office party-economic management active membership meetings. The economists from the Gosbank republic office, in conjunction with the workers of industrial associations and ministries, perform an analysis of the capacities and prepare recommendations for the additional output of commodities. For example, based on the anticipated fulfillment of the plan for procurement of agricultural production and implementation of measures for better utilization of equipment and raw materials, the office has presented such proposals on the output of whole-milk products, cheese, vegetable oil, and mineral water for the second half of 1983.

The bank institutions in the Ukrainian SSR, in conjunction with the production associations and enterprises of the light and foot industry, have sought out capacities for the additional production of clothing, linen, and stocking-hosiery products. Throughout the enterprises of the UkSSR Ministry of the Food Industry, proposals have been developed for increasing the output of consumer goods in the sum of over 31 million rubles. This is to be done through the economic utilization of raw materials, the reduction in losses during production, the elimination of equipment idle times, the increased productivity of labor, and the improved product assortment.

As evidenced by the materials of the Gosbank offices, numerous enterprises in the chemical industry have the ability to produce additional consumer goods using the same production capacities. This is accomplished by economy of raw materials, use of by-products from primary production, and the more effective application of production capacities. In 1983, the Gosbank proposals for increasing the production of consumer goods at enterprises in the chemical industry in the sum of 6.7 million rubles were examined and adopted.

The Tatar republic office of Gosbank is actively conducting work on seeking out capacities for the additional production of consumer goods. Every year the office participates directly in the development of proposals for the

additional production of consumer goods at the republic's enterprises. These proposals are examined jointly with the economic management organs, and after coordination with the Gosplan [State Planning Committee], are sent on for ratification to the CPSU obkom and the republic's Council of Ministers. Thus, in March of 1983 proposals were prepared on setting additional tasks for the enterprises and associations of local, republic and union subordination for the production of consumer goods for an overall sum of 34 million rubles. This was to be accomplished by better application of production capacities, raw goods and other material resources, reduction of work time losses, and higher rates of production development.

The Tatar ASSR Council of Ministers generally accepted the proposals of the Gosbank office and set tasks for 1983 for additional production of consumer goods at republic enterprises for a total of 34.2 million rubles (in retail prices).

Moreover, in June of 1983 the Gosbank office presented additional proposals for increasing the production of consumer goods by 27 million rubles. These proposals were considered in reviewing the commodity production plans for 1983-1985.

A large role in providing the population with consumer goods belongs to the local industry enterprises, which use local raw materials for this end. Analysis has shown that the relative share of this production in the overall volume of commodity products manufactured by local industry enterprises varies significantly. For example, while in the Ukrainian SSR, Belorussian SSR, Uzbek SSR and Kazakh SSR the cost of goods manufactured from local raw materials and by-products in the overall volume of commodity production (in prices for 1 January 1982) comprises 10-11 percent, in the Georgian SSR, Latvian SSR and Kirghiz SSR it is 13 percent. However, in the Tajik SSR it has not exceeded 4.3 percent, in the Azerbaijan SSR -- 3.4 percent, in the Turkmen SSR -- 3 percent, while for the country as a whole it is 9.1 percent.

In the RSFSR for 1982, out of 85 local industry administrations, 30 have underfulfilled the plan for various products made from local sources of raw materials in the amount of 24.5 million rubles. In the Ukrainian SSR, with an overall fulfillment of annual plan assignments by 103 percent, individual local industry administrations have undersupplied goods made of local raw materials and by-products in the sum of 6.5 million rubles. Among these are the Kiev Oblmestprom [Oblast Administration of Local Industry] -- by 0.4 million rubles, the Kherson Oblmestprom -- by 0.5 million rubles, and the Rovno Oblmestprom -- by 0.9 million rubles. In the Azerbaijan SSR the plan fulfillment for the output of such production has not been realized in the sum of 7.6 million rubles (38 percent) throughout the whole of the republic's Ministry of Local Industry.

In the 8 months of 1983, the relative share of products manufactured by the country's local industry using local raw materials and production by-products has remained at the same level. Nevertheless, the available local raw material resources make it possible to significantly expand the output of consumer goods for the population. For example, in the Namanganskiy Oblast of the

Uzbek SSR, cotton plant stems, a significant quantity of rice straw, and wood processing by-products are not being utilized. In the Kazakh SSR, out of 948 tons of by-products of ferrous and non-ferrous metals, only 227 tons, or 23.9 percent, are used in production. Only 30 percent of the wood by-products are used.

In the Georgian SSR, out of 100 local industry enterprises, only 64 are engaged in the manufacture of products using local raw materials and by-products. Of these, 35 underfulfilled their assignment for the output of such production in the sum of 4.3 million rubles for the first half of 1983 alone. During this same period, for various reasons, the plan for brick production was underfulfilled by 7.7 million units (or 39 percent of the plan), and the plan for natural stone blocks -- by 9,900 cubic meters (38.1 percent).

The situation is entirely different in the Latvian SSR, where there is practically not a single local industry enterprise which does not use either local raw materials or either on-site or purchased production by-products in its production. As of 1981, a comprehensive program for the utilization of production by-products and local types of raw materials has been in effect in the Latvian SSR Ministry of Local Industry. This program was developed for the years 1981-1985, and in accordance with it provision has been made to organize an additional series of specialized sectors for the manufacture of products from by-products by 1985. At the Ausma production association the output volume of such production will be 900,000 rubles per year, at Yurmala production association -- 600,000 rubles, at Darba spars -- 400,000 rubles, at the Kezeknenskiy Wood Processing Combine and Cardboard Factory -- 400,000 rubles each, at the Liyepaya production association -- 200,000 rubles, and others. Since 1982 in this republic the enterprises of the Ministry of Local Industry have been conducting a competition on the utilization of industrial by-products in the manufacture of consumer goods. This has made it possible to introduce 119 types of products into production in the first half of 1983 alone.

One of the negative aspects in the operation of the union republic ministry of local industry enterprises on increasing the delivery of consumer goods for sale to the population is the fact that a large relative share of the goods is delivered by non-market consumers.

A considerable reserve for increasing the production of consumer goods is the reduction of losses of raw material during production and the improved quality of procured agricultural raw materials. For example, cotton processing enterprises annually write off a considerable amount of raw cotton as over-plan waste. This leads to the underproduction of cotton thread and of consumer goods made from it. In recent years in a number of republics and oblasts throughout the country the quality of purchased flax raw material has declined. As a result, plants for obtaining long flax fibers are not being fulfilled, and consequently there is an underproduction of high quality linen fabrics.

The introduction of waste-free production also holds considerable reserves for increasing the production of consumer goods. In the course of their work on analyzing the activity of enterprises, numerous Gosbank institutions are

constantly uncovering reserves for increasing commodity production due to reduction of waste, and submitting the necessary recommendations. The bank institutions in Krasnodar Kray, for example, are actively utilizing bank credit for organizing the production of waste-free fruit processing. In the Ukrainian SSR, the capacity has been found for manufacturing different commodities in a significant sum at the expense of using industrial by-products alone. At the production association of the Minsk Tractor Plant imeni Lenin of the Ministry of Tractor and Agricultural Machine Building, capacities have been found for the additional output of household articles in the sum of 200,000 rubles with the more complete utilization of industrial by-products and reduction in non-productive losses of work time.

In the 2 1/2 years of the current five-year plan, the local industry of the Latvian SSR has utilized 1,300 tons of by-products of ferrous metals, 130 tons of white tin and 500 tons of aluminum, over 50 tons of cotton fabric and 20 tons of woven fabric for the manufacture of consumer goods. The Estonian republic Gosbank office and its subordinate institutions have intensified control over the identification and accounting of industrial by-products by enterprises of the republic's Ministry of Local Industry. The make-up and variation in industrial by-products is also analyzed. Two enterprises -- the Salvo Factory and a plastic products plant -- have manufactured various goods for public consumption in the sum of 2.1 million rubles as a result of the introduction of waste-free production by the republic's local industry enterprises. [These enterprises] utilized by-products suitable for application in order to manufacture these goods.

Favorable results in the matter of growth in consumer goods production using by-products and local raw materials have been achieved in the Tatar ASSR. Thus, in the local industry enterprises the output of such goods in 1982 increased by 5 percent as compared with 1980, comprising 15.2 million rubles. 2.2 million rubles of by-products were processed, which yielded a 6 million ruble savings on stock raw material. Industrial by-products and local raw materials were used to manufacture 95 descriptions of products, and the output of 26 new types of products was organized in 1982 alone. In the first half of 1983, over 40 heavy industry enterprises have manufactured 2.6 million rubles worth of such goods with an increase of 347,000 rubles over the plan.

As we know, a large role in the advertisement of newly developed models of clothing and footwear and in studying consumer demand for individual goods belongs to the company stores of the industrial ministries. However, these stores do not everywhere fulfill their tasks in full measure. For example, the only company store in the system of the Azerbaijan SSR Ministry of Light Industry, "Shafag", systematically does not fulfill its plan for retail goods turnover and does not exert enough influence in renewing the assortment and improving the quality of sewn goods. Many of the clothing fashions developed by the republic's Ministry of Light Industry enterprises have a low aesthetic level, are unimaginative in design, and do not meet the consumer demand. The Azerbaijan SSR Council of Ministers, in examining the results of economic-financial activity of the republic's Ministry of Light Industry for 1982, assigned it and the republic's Ministry of Trade to organize three additional company stores to intensify work on studying consumer demand and to increase

the sales of new goods and especially modern products. Nevertheless, despite the great importance of this measure, the opening of these stores scheduled for October of 1983 has still not been realized.

A number of USSR Gosbank offices give great attention to the search for new means of improving the organization of work on seeking additional resources for the production of consumer goods. Thus, at the Kharkov oblast Gosbank office, the work of the office's departments and the bank institutions is coordinated by a special commission headed by the deputy chief of the oblast office. In its work on seeking reserves for increasing the volume and improving the quality of consumer goods, the office maintains close contacts with party, soviet, planning, financial and economic management organs.

In the Kazakh republic USSR Gosbank office, a definite scheme of work on seeking additional resources for production of consumer goods has been formed. It is generally implemented in the following directions.

1. The USSR Gosbank republic office reviews the project plan for production of consumer goods for the coming year according to the individual ministries. As a result of the review, proposals are submitted to the republic's Gosplan. A positive factor in this work is the fact that the office workers know the state of affairs in the economy already in the current year and outline means for the development of the sectors in the coming year. This makes it possible to more substantially solve the questions of credit relations between the bank and the management.
2. The republic and oblast bank offices and departments perform a study at the beginning of the year directly at the associations and enterprises of the available reserves for increasing the output of consumer goods. In giving assignments to the bank institutions, the office first recommends that they examine their available reserves for increasing the output of consumer goods at the enterprises for whom the production plan for the current year has been set below its available production capacities, at enterprises manufacturing products for which demand is not met, as well as at enterprises having industrial by-products.
3. In the course of the year, a topical study of the available capacities for additional production of consumer goods by individual sectors of industry is performed. This makes it possible to perform an in-depth study of the work of the management and to prepare documented proposals for eliminating shortcomings and increasing the production of consumer goods. The office generalizes the results of the study on available reserves for increasing the production of hatchery fish, the reasons for incomplete utilization of secondary dairy raw materials (skimmed milk, buttermilk, whey), and the presence and utilization of industrial by-products at enterprises of the Ministry of Light Industry.
4. Questions are resolved on crediting expenditures for fixed capital over the limit of capital investments associated with increase in the production of consumer goods and the improvement of their quality.

5. Permanent control is implemented over the fulfillment of plans and supplemental assignments by the associations, enterprises, and the ministries on the whole for the production and delivery of consumer goods in the proper sum, by basic nomenclature, as well as by volume of production per ruble of the wage fund.

Cosbank credit, which is given to the enterprises for creating and strengthening the material-technical base, plays an important role in increasing the production of consumer goods. For example, in the 2 years of the current 5-year plan, the bank institutions in the RSFSR have given the enterprises of the food, meat, dairy and fish industry over 170 million rubles in long-term credit for the reconstruction of operating enterprises, the introduction of new technology, and the organization of subsidiary rural farms. The implementation of the credited measures has made it possible in 1982 alone to introduce additional capacities for beer production in the sum of 637,000 dacaliters.

In the Ukrainian SSR, bank credits have made it possible to manufacture additional products in the sum of 19.5 million rubles in the UkSSR Ministry of the Food Industry, 22.2 million rubles in the UkSSR Ministry of the Meat and Dairy Industry, and 1.6 million rubles in the UkSSR Ministry of Light Industry, computed per year.

In 1982 the bank institutions in the Georgian SSR issued credit to 130 facilities in the industry's food sectors. The facilities which were built on credit turned out additional production of 211 million rubles and showed a profit of 20 million rubles.

Long-term credit is being actively extended for expenditures on expanding the production of consumer goods by the enterprises of local industry in the Estonian SSR. The facilities are carefully selected before credit is issued. Credit is approved for highly effective measures which will pay for themselves within 1-2 years. In 1981 1982 alone, long-term credit was given to enterprises of the ESSR Ministry of Local Industry enterprises in the sum of 8.1 million rubles to finance 11 measures whose implementation makes it possible to ensure an additional commodity output of 17 million rubles in a year (or 8.5 percent of the overall production of goods for cultural-domestic use). The additional profit from the sale of these goods comprises 5.1 million rubles. At the same time, the question of improving the quality and renewing the assortment of these goods is resolved. In 1982 alone, the output of 550 new products was mastered, thereby renewing 30 percent of the product assortment, and 49 million rubles worth of highest quality products were produced, or 102.7 percent of the planned amount.

At the same time, in some republics, krays and oblasts, credit for implementing highly effective measures associated with expanding the production of consumer goods is not being sufficiently utilized. In accordance with the resolution by the CPSU Central Committee and the USSR Council of Ministers dated 29 April 1983, "On Additional Measures for Improving the Provision of the Population With Consumer Goods in the Years 1983-1985," the possibilities of enterprises' obtaining credit for the indicated expenditures have been expanded. In 1983-1985

credit will be issued within the limits of sums ratified by the plan for long term crediting to finance measures for developing production and improving the quality of consumer goods. It is stipulated that these measures will be implemented within a period of no more than 2 years and that the obtained credit will be paid back within a period of 6 years from the moment of completion of work on the credited measure. In this case, the credit is extended over the limit of state capital investments.

The USSR Gosbank also extends credit to enterprises for above-norm production reserves, remnants of special instruments and special attachments, and expenditures for unfinished production in cases where the accumulation of these reserves and the realization of expenditures are determined by the output of new production or the increase in product quality. Over 330 million rubles worth of such credit has been extended to the light industry enterprises alone.

For purposes of creating favorable financial conditions for enterprises who have leftover raw goods, materials, unfinished production, special instruments or special attachments as a result of change in the nomenclature of consumer goods or discontinuation of their production, these enterprises are given credit for these remnants for a period of up to 6 months from the moment of adoption of the corresponding decision. Here it is assumed that during this period the enterprises will take measures for utilizing the valuables for the production of needed goods or for transferring them to other enterprises.

Moreover, the USSR Gosbank issues credit for up to 3 years for expenditures associated with start-up operations in the construction and expansion of enterprises for the production of consumer goods.

The absence of the necessary funded raw material and the insignificant level of utilization of local raw material resources has a rather negative effect on the degree of work load of production capacities at the country's local industry enterprises, and as a result also on the output of consumer goods. For example, in the Kazakh SSR the capacities for the manufacture of valenki [felt boots] are utilized by only 78.8 percent, in the Ukrainian SSR the equipment for production of building brick is only utilized by 53.8 percent, and the equipment for production of lumber materials -- by 35 percent. In the Tajik SSR the use factor of production capacities in the manufacture of sewn goods dropped by 4.9 points as compared with 1981, for confectionary products it dropped by 7.1 points, and for enamel coated dishware -- by 13.6 points.

A significant part of the technological equipment used in local industry is outdated and physically worn. At the same time, technical retooling of existing enterprises is slow in being implemented. According to the data of the USSR TsSU [Central Statistical Administration], the remnants of uninstalled equipment at enterprises of local industry on 1 January 1983 comprised 41.6 million rubles.

A number of USSR Gosbank offices are not performing work actively enough in seeking out reserves for the additional production of consumer goods. For example, the Gosbank institutions subordinated to the Azerbaijan, Kirghiz,

Tajik, Armenian, Estonian, and Turkmen republic offices found no capacities for the additional production of consumer goods at enterprises of the light and food industry in 1983. For a number of years, the Uzbek republic Gosbank office and its institutions have not submitted any proposals for increasing the production of the industry's food sectors, although there are capacities for the additional output of consumer goods in these republics.

Questions relating to the production and delivery of consumer goods play a significant part in the Gosbank plan for economic operation. Management through the Gosbank institutions studies and generalizes these questions, and submits them for review by administrative organs. In accordance with this plan and with the USSR Gosbank directive dated 5 October 1982, No 122, the Gosbank offices and institutions in 1983 studied the possibility of over-plan production of consumer goods by the union republic Ministry of Local Industry enterprises for 1983. For example, the ESSR Ministry of Local Industry was given an increased assignment for 1983 for the production of consumer goods, whose volume increased by 6 percent in a year. In this case, the assortment of manufactured products is subject to a 33 percent renovation. The output of highest quality products will comprise 25 percent of its over-all volume. At the same time, in the course of the study performed by the Gosbank institutions, the capacity was found for over-plan production of 9 varieties of consumer goods for an overall sum of over 400,000 rubles. The Gosbank proposals for additional production of goods by the more rational application of by-products at the Salvo Plastics Factory and the Polymer Production Association, as well as by the more effective application of production capacities by the Tarbeklaas Plant, were adopted by the Ministry of Local Industry and the republic's trade organizations. The salvaged raw materials are used to make rolling pins, dust beaters, boxes for knives and forks, facing plates and other consumer goods which are in popular demand.

The USSR Gosbank, with the participation of republic offices, studied the question of the quality and assortment of leather footwear produced by the enterprises of the USSR Ministry of Light Industry. The study showed that the footwear industry enterprises have large untapped reserves for the supply of footwear to the trade network. A significant number of enterprises are not fulfilling the production plan for leather footwear, including improved model footwear with the index "N". As a result, the orders of trade organizations for this footwear are not being filled. There is still much footwear of uniform style, fashion and trim being produced, as well as footwear which has not been ordered by the trade organizations and which does not meet quality requirements. All this leads to non-satisfaction of the popular demand and non-fulfillment of the plan for retail goods turnover. At the same time, the footwear industry enterprises bear large non-productive losses.

The effectiveness of work on studying individual economic questions in the Gosbank central apparatus and the quality of the materials which it prepares depend on the quality of the reports (analysis) forthcoming from the Gosbank sections and offices. We may cite numerous examples of the proper organization of this work and its effectiveness. However, considering the present day tasks in the sphere of fulfilling the plan for commodity turnover and further strengthening of the currency flow, it is necessary to raise even higher the

level of economic operation in the sector associated with the utilization of the credit and accounting mechanism for increasing the production of consumer goods. Here it is necessary to proceed from the assumption that the bank, as a rule, may actively influence the elimination of any negative phenomena found in the study of various questions through means of credit and accounting.

As we have already noted, the decisions of the 26th CPSU Congress, subsequent Plenums of the CPSU Central Committee, and party and government resolutions devote much attention to the quality of consumer goods. At individual enterprises, a significant relative share of the consumer goods produced are those which do not correspond to requirements on quality. Here we must add that a large amount of the production, particularly that manufactured by light industry enterprises, is produced without a proper study of consumer demand.

Numerous Gosbank institutions have established good business contacts with the organs in charge of inspecting product quality. The Gosstandard [State Committee for Standards) organs and Inspection on Quality of Commodities and Trade forward to them the materials on product quality inspections, as well as orders for prohibiting the sale of products and for invoking economic sanctions in the form of excluding from the accounting data the cost of products produced and sold in violation of standards and technical conditions. These materials are used for comprehensively influencing enterprises which allow the output of poor quality products by using means of credit and accounting.

The management of the USSR Gosbank has worked out a mechanism of using credit to influence enterprises which allow the output of poor quality goods and products which are rejected by consumers due to their non-correspondence to demand. Credit should not be issued on accounting documents for shipped products which do not correspond to the requirements of standards and technical conditions, as well as for raw goods, materials, or unfinished production which does toward the manufacture of poor quality products, products subject to certification but not certified, products of the second quality category which have not been taken out of production within the established time, as well as projects which are rejected by the trade organizations. Also not credited is finished production if it is the object of crediting, but was formulated over the norm for the indicated reasons.

The bank institutions have the necessary directives on these questions. Practical experience has shown that the directives of the Gosbank Management on questions of using credit to influence enterprises which allow the manufacture of products which do not correspond to quality requirements as well as products which are rejected by the trade organizations, are still not being extensively implemented by the bank institutions, particularly the means of refusing to give loans for raw goods and materials.

In the process of implementing a differentiated approach in issuing credit, the bank may exert great influence on enterprises which do not fulfill their plans for delivery of consumer goods. It may apply measures of economic influence on enterprises which do not ensure fulfillment of plans for economic and social development and may present incentives for enterprises which work

well. The resolution of the CPSU Central Committee and the USSR Council of Ministers dated 12 July 1979, No 695, "On Improving Planning and Intensifying the Effect of the Economic Management Mechanism on Increasing Production Effectiveness and Work Quality," has set evaluative indicators for the activity of industrial enterprises. Differentiated crediting conditions are extended depending on the fulfillment of these indicators. In issuing credit, the bank gives incentives to enterprises which fulfill their ratified plans for the delivery of production-technical products and consumer goods by the proper nomenclature (assortment) and on time in accordance with concluded agreements, as well as their plan for production of premium quality goods, their profit plan, their tasks for growth in labor productivity, and their tasks in ensuring the safety of their own working capital. On the other hand, enterprises which do not fulfill the given indicators are given bank credit under special conditions. We must note that in recent years the application of special crediting conditions has become more extensive. At the same time, Gosbank institutions in many cases still do not act upon enterprises which do not fulfill their plans for economic development. Only about 26 percent of the light industry enterprises which did not fulfill their plans were transferred over to special crediting conditions in the first half of 1983, while in the Ukrainian SSR, Georgian SSR, Kirkhiz SSR, Armenian SSR, Turkman SSR, Kazakh SSR, Moldavian SSR, and Estonian SSR this figure was even lower.

To this we must add that means of economic influence within special crediting conditions are not being used comprehensively, which does not stimulate the enterprises themselves, as well as their superior organizations, to take immediate measures toward improving the work of the enterprises. In many cases, no commissions are created to investigate the activity of poorly operating enterprises which have been changed over to the special crediting conditions. As a result, the special crediting conditions remain in effect for a long time.

Also the bank institutions do not implement full control over the enterprise's utilization of its working capital. Specifically, means of economic influence on enterprises which disrupt the established order of utilizing working capital are insufficiently used.

There are instances where individual bank institutions disrupt the conditions for issuing credit and accounting set by economic management organs in the course of applying means of economic influence to them.

The bank institutions render active aid in the form of credit to enterprises manufacturing consumer goods in payment to suppliers for commodity-material goods delivered. Credit is given from special loan accounts, from simple loan accounts for crediting commodity-material goods, as well as from special loan accounts in the form of payment credit. Credit facilitates timely accounting and, naturally, production of consumer goods. At the same time we must note that payment credit in many cases is presented when the economic management organs have a long-term shortage of funds, i.e., credit is drawn into long-term financial gaps.

Enterprises manufacturing consumer goods make active use of bank credit. In the process of issuing credit, it is necessary to strive toward the situation whereby the bank credit issued for commodity-material goods and for other purposes be utilized effectively, and that the credited goods be used as soon as possible to manufacture consumer goods. One of the indicators characterizing the effective use of bank credit is the relation between the growth rate of credit, the growth in reserves of commodity-material goods, and the volume of production. We must note, however, that in a number of republic Ministries of Light Industry in the union republic, the growth rate of credit investments and reserves of commodity-material goods outstrip the growth rate for production volume. Particularly great divergences in these indicators were shown for the Ministries of Light Industry of the Ukrainian SSR, Belorussian SSR, Uzbek SSR, Kazakh SSR, Azerbaijan SSR, Armenian SSR, and Turkmen SSR according to the data on 1 July 1983 as compared with the data on 1 July 1982.

Control by Gosbank institutions over the work of enterprises which produce raw goods and materials which subsequently go toward the production of consumer goods needs to be significantly intensified. Let us take, for examples, enterprises producing chemical fibers. Every year a number of these enterprises, which do not fulfill their established plan assignments for production, undersupply the light industry enterprises with chemical fibers by a significant amount and do not totally fulfill their delivery plans according to the specified assortment in accordance with their concluded contract agreements. This leads to the situation whereby the light industry enterprises cannot ensure the fulfillment of plans for the production of consumer goods needed by the population, and undersupply them to the trade enterprises by a rather significant sum.

At the same time, the materials at the disposal of the Gosbank Management show that in analyzing the economic-financial activity of enterprises for the production of chemical fibers, little attention is given to the available reserves for increasing production of chemical fibers due to better utilization of production capacities and liquidation of over-expenditures of raw goods and materials.

The economic influence on the operation of such enterprises is also insufficient when they do not fulfill plans for the delivery of chemical fibers to enterprises of light industry.

The facts indicated above are also applicable to many other enterprises in the chemical industry which produce raw materials and components for the manufacture of synthetic detergents, plastic products, and other consumer goods.

This is equally true also for enterprises in the textile, leather and numerous other sectors, whose raw materials are used for the production of consumer goods.

In order to ensure the fact that enterprises manufacturing consumer goods fulfill their plans for the production of these goods, the enterprises must have the necessary financial resources as well as material resources, i.e., they

must have their own working capital within the margins of economically substantiated norms and know how to utilize this working capital properly. However, a large number of enterprises, particularly those in the light and food industry, operate with a notable shortage of their own working capital and allow its improper application. As a result, they hold up payment for incoming raw goods and materials necessary for product output, they do not repay their loans to the bank on time, and they hold up payments to the state budget.

To cover long-term financial difficulties, numerous enterprises use credit payment of over 60 days, which leads to non-productive expenditures. The financial state of numerous enterprises also declines because they must pay large fines for breaking delivery contracts or for delivering poor quality goods.

An important controlling factor in consumer goods production is their output per ruble of the wage fund. In the 6 months of 1983, the plan for commodity output per ruble of the wage fund was not fulfilled by the Ministry of Light Industry of the Georgian SSR and the Ministry of Light Industry of the Armenian SSR. In a number of the union republic ministries of light industry, less consumer goods are produced per ruble of the wage fund than the average for the USSR. There are also numerous heavy industry enterprises which manufacture consumer goods per ruble of the wage fund in insignificant quantities.

An important means of bank influence on the level of consumer goods production is, for example, timely presentation to the enterprises (and if necessary — to the higher and controlling organs) of the question of changing the nomenclature (assortment) of the goods produced for the population. Based on an analysis of the make-up of leftover finished products at enterprise warehouses or on the information contained in rejection slips for delivered consumer goods or data on product quality complaints, proposals should be presented for taking effective measures for improving product quality and for discontinuing production of models (types) of goods which are not in popular demand. This implies that raw goods and materials arriving (brought in) for the output of products which are not in demand be redirected toward the output of readily saleable products. If the enterprise managers do not take such measures towards implementing the bank's proposals, the means of bank influence should be exerted on these enterprises (reducing the amount of credit given for reserves of raw materials, complement products, shipped goods, etc.; limiting monies issued for paying wages for the output of over-plan production which is not in demand, etc.). Also, the work of such enterprises should be brought to the attention of party and soviet organs, and the managements of union or republic subordination — to the attention of higher organs of these enterprises and corresponding sectorial credit administrations of the Gosbank Management or republic offices.

The indicated work should be performed continuously, and not reduced merely to the period at the beginning of the year when the search is on for reserves for increasing the production of consumer goods.

In participating in the work of commissions on consumer goods under the Soviet of People's Deputies ispolkoms, the Gosbank workers must show action, initiative and a state-oriented approach toward solving the problems of consumer goods production. They must prevent the use of material, labor and financial resources for the output of products showing little promise for sale to the population. Unfortunately, there are instances where the managers of enterprises in light as well as heavy sectors of industry strive to increase the output of products to which they have become accustomed, regardless of the market conditions. They do this in order to achieve favorable indicators on the production of consumer goods. As a result, it is the state which ultimately bears the loss. The manufactured products sit at the warehouses of the manufacturing enterprises or in the grade network, and attract no buyers. In examining such questions, we must take the principle position of not yielding to local interests. It is necessary to direct the efforts of the appropriate collectives toward seeking means of solving the problem by mastering the output of new products, expanding their assortment, and recommending production of goods (with consideration of the specifics of the enterprises) of which according to bank (or other organ) information there is a shortage in the trade network.

Often the task of workers in Gosbank institutions on seeking reserves for increasing the output of consumer goods is misunderstood and reduced to merely presenting recommendations for increasing production output by several thousands or millions of rubles with no consideration for the real value of such proposals. An analysis of such proposals shows that many of them are not realized and cannot be realized due to limitations in material resources for the production of the corresponding goods. Therefore, the efforts of specialists at Gosbank institutions must be directed primarily toward analyzing the state of affairs in production of consumer goods at the enterprise being served and clarifying any existing shortcomings in its operation. These may include shortcomings in the organization of production and sale of products, capacities for output of goods using industrial by-products or the direct sale of by-products through the retail trade network modelled after the "Goods for the Handyman" sections at a number of the country's department stores. The recommendations of Gosbank specialists must facilitate the creative search by engineering-technical workers at enterprises and economic management organizations.

Naturally, in order to give recommendations the Gosbank workers must spend more time on questions of studying the marketing conditions for individual goods based on the information which is collected by specialists engaged in servicing trade, on publications in the local, oblast and central press on various topics, etc. The Gosbank offices must devote more attention to generalizing the work experience of Gosbank departments in the sphere of organizing their activities on seeking out reserves for increasing the production of consumer goods, improving their quality, and expanding and renewing the assortment. A definite contribution in this matter may also be made by specialists at administrations engaged in trade crediting, monetary turnover, and crediting of sectors of the national economy at the republic offices and Gosbank Management.

Questions of seeking out reserves for additional production of consumer goods, improving their quality, strengthening the role of the crediting mechanism and

accounting, as well as implementing control over the financial management activity of the enterprises producing consumer goods were examined in detail at the conference-seminar held with republic (union republic) Gosbank office deputy managers, chiefs of industrial crediting administrations within these bank offices, and the managers of a number of oblast Gosbank offices and sections.

In September of 1983 the CPSU Central Committee Politburo discussed the question of developing a Comprehensive Program for the Development of Production of Consumer Goods and a System of Services Rendered to the Population. It was noted that in accordance with the decisions of the 26th CPSU Congress, the party and the state are giving constant attention to further increasing the living standard of the people. Measures are being taken for continuously increasing the production and improving the assortment and quality of goods which are in popular demand.

At the same time, the CPSU Central Committee Politburo noted that the level of provision of numerous goods to the population and their quality still fall short of the demands of the Soviet people and are the subject of justifiable complaints by the workers.

The CPSU Central Committee Politburo deemed it necessary to work within the confines of the five-year plan for 1986-1990 and the Basic Directions for the Economic and Social Development of the USSR and, for a more long-term perspective, the Comprehensive program for the Development of Production of Consumer Goods and System of Services Rendered to the Population, striving towards the fullest possible satisfaction of various demands and needs of the Soviet people.

At the December (1983) Plenum of the CPSU Central Committee, the saturation of the market with necessary industrial goods corresponding to the demands presented by consumers in terms of assortment and quality was named as being one of the immediate tasks for the country's economic development. The speech presented by Yu. V. Andropov at the CPSU Central Committee Plenum noted that "the main thing is to constantly increase production, to improve the quality of goods, and to intensively develop the sphere of services."

The successful solution of this problem will be determined in great part by the initiative of local party, soviet and economic management organs and by the complete utilization of all existing capacities and reserves. The institutions of the USSR Gosbank are called upon to play a major role in solving the problem of expanding the production of consumer goods.

COPYRIGHT: "Den'gi i kredit", 1984

12322  
CSO: 1827/220

## FOOD PROCESSING AND DISTRIBUTION

### NEW GEORGIAN AGROINDUSTRIAL TRADE ASSOCIATION VIEWED

Moscow EKONOMICHESKAYA GAZETA in Russian No 22, May 84 p 16

[Article by B. Kukhianidze, chairman of the Georgian Republic Agroindustrial Trade Association: "The Agroindustrial Trade Association: From the Field to the Store"]

[Text] The Ministry of Fruit and Vegetable Farming's Republic Agroindustrial Trade Association was created on the basis of a trust of vegetable and dairy sovkhozes, the Tbilisi and Rustavi city trade network, and a number of canneries. This was the first practical step toward eliminating departmental lack of coordination in the "production-procurement-sales" chain. The association was also assigned the job of organizing the processing and storage of fruits and vegetables.

The association consists of four RAPOs [rayon agroindustrial associations], the Kutaisi Agrotrade Association, 65 sovkhozes, fruit and vegetable marketing outfit in 24 of the republic's cities (a total of 411 trade outlets), company-owned vegetable dining facilities, the Lilo Fruit and Vegetable Combine (Georgia's largest), storage facilities in 17 cities (with a total capacity of 18,000 tons), eight processing enterprises, a repair and construction administration, three automotive transport enterprises, and the Gardabani Intersovkhoz Sprinkler Association.

The Agroindustrial Trade Association (Agropromtorg) provides the republic's capital city, industrial centers, and resort zones with fresh vegetables, potatoes, fruits, and canned goods made from them.

#### What Specialization Has Provided

How effective is this kind of organizational restructuring? Within the Agropromtorg framework, first of all, it has become possible to establish the precise, direct "field-to-store" connection, without intermediate links. Thanks to this, fresh produce is delivered from the fields to the trade network several times a day. The consumer is the winner in this. The producers also gain considerable economic benefits.

Let me cite some figures. In the 8 years since Agropromtorg was set up, sales of potatoes to the population have increased from 28,000 to 75,800 tons, vegetable sales from 43,000 to 94,800 tons, and fruit sales from 15,000

to 21,400 tons. These indicators are at the top of the list--after all, the whole point in creating the association is to meet all the population's requirements for potatoes, vegetables, and fruits throughout the year.

Nor have the sovkhozes come off losers. Their earnings have increased and their economic position is stronger. Average gross income of the farms in the association has increased from 66.7 to 91.3 million rubles.

Moreover, the association ships a substantial portion of early potatoes and other farm produce to Moscow, Leningrad, and other industrial centers in the country. And volumes of these shipments are growing every year.

What measures have made it possible to realize the potential advantages of the new organizational structure? First of all, mention should be made of more intensive specialization. Most of our sovkhozes used to raise 15 to 20 kinds of vegetables. We set ourselves the task of delineating two zones within the association. One of them concentrates on the production of early potatoes, vegetables, fruits, and table grapes--in short, all the kinds of produce requiring immediate sale. Farms in the other zone, where the climate is more severe, have specialized in the production of late vegetables and fruits to be laid in for winter storage. Now each farm has a stipulated array of crops, based on achieving the best possible results and generally restricted to four or five types. This has made it possible to expand the size of the parcels occupied by each crop. It has become possible to make more extensive use of mechanization.

Here are some examples. Now all production of early potatoes in the association--and consequently in the republic--is concentrated in two rayons, Bolnisskiy and Marneulskiy. Farms there last year raised more than 80,000 tons of potatoes, 4 times more than the entire republic produced not long ago. Having the farms specialize in raising potatoes has made it possible to expand substantially the area planted in that crop: by 7 times on Fakhralo Sovkhoz, for example, from 120 to 850 hectares. The average level of mechanization in the sector now stands at 60 percent, and on many of our farms all potato operations are done by mechanized links.

Another example, from the second zone. Formerly, the Araplo Sovkhoz raised 15 kinds of vegetables. The total harvest reached barely 800 tons. Now the farmers are harvesting 11,000 tons of vegetables of a few types, which were designated in accordance with the farm's specialization.

#### The Benefits of Direct Connections

The organizational restructuring has also had a beneficial effect on Agro-promtorg's nonproductive sphere. Formerly, selling vegetables and fruits from the individual auxiliary farms of the sovkhoz workers caused them considerable trouble: first there would be no packing, then the transport would be late, and even the procurement stations were not always ready to receive the produce raised by the population. Now the job has been handed over to the farms themselves, which take in the villagers' vegetables, fruits, and

other produce on the spot, settle accounts, and ship the produce into the trade network.

What has resulted? First of all, it has become much easier for us to provide the trade network with the needed assortment of fresh vegetables. In addition, the sovkhoz has begun to earn considerable additional profit. In the intermediate season (from December through April), for example, the farm receives 2,552 rubles for the sale of a ton of tomatoes directly to the trade network; for the sale of the same ton to the procurement organizations it would receive 2,000 rubles.

One of the first to convert to direct connections in the association was the Gardabani Vegetable Sovkhoz (M. Gasanov, director). The sovkhoz workers are constantly bringing down the prime cost of the produce they raise and over-fulfilling sales targets to the state. And the sovkhoz has begun to earn excellent profits--1.3 million rubles last year.

Before the association was set up, the movement of fruits and vegetables proceeded as follows: the farms hauled them to the procurement stations, which in turn shipped them to the republic's Ministry of Trade bases, which in turn delivered the vegetables and fruits to the trade network. The movement was really very slow, and involved losses. The direct connection has done away with the intermediate links. This has reduced transport costs and improved the safekeeping of fruits and vegetables, which are very sensitive to trans-loadings.

In recent years the association has begun to hold fruit and vegetable trade fairs on weekends in Tbilisi and other industrial centers of the republic; they have become very popular among city dwellers. Our trade network's base is also expanding. A 600-square meter trade center in which all fruit and vegetable products are sold in small packages, for example, was recently opened in Tbilisi.

The demand for our produce is not seasonal but constant. That means that stocks are needed. For this reason, we consider the storage problem to be no less important than are concerns of a purely productive nature. The network of storage facilities subordinate to Agropromtorg is expanding, and the main link in the network--the Lilo Fruit and Vegetable Combine--is getting stronger and bigger. This year we plan to lay in at least 62,000 tons of various kinds of fruits and vegetables there.

#### Tomorrow's "Weather Report"

Not everything is running smoothly in the association, of course. There are considerable reserves for improving performance. Here is an example. The Tsereteli and Kachagani sovkhozes in Marneulskiy Rayon operate under identical conditions. Nevertheless, the Tsereteli Sovkhoz last year produced 50 quintals of garlic per hectare, while the Kachagani Sovkhoz produced only 27 quintals. Even this, it must be stated, is not the worst indicator in our system. If all cropping work was carried out at the same high level, we

would not have this kind of crop yield fluctuation. So the quality of management has to be improved.

There is much to be done yet in order to liquidate sparseness in our orchards and vineyards and to lay out new plantings. Irrigated lands can and should yield considerably more. As was mentioned above, one of the decisive factors in boosting the association's produce output has been the farms' specialization in raising particular types of fruits and vegetables. It must be admitted, however, that not all of our sovkhoz managers have been following the specialists' recommendations. Hence the "disproportions" in assortments. One farm, for example, fulfilled last year's eggplant sales plan by only 0.7 percent and its cabbage sales plan by over 250 percent.

The quality of economic work also leaves much to be desired in some of our subunits. Yet the efforts of the economic services largely determine the practical adoption of progressive forms of labor organization and wages and improvement of on-farm cost accounting.

We plan to carry out regular, careful analysis of the production performance of each farm, trade organization, and industrial enterprise. This analysis is very essential now in order to seek out available reserves and map specific ways to utilize them.

This year the association should procure 177,400 tons of vegetables, 82,500 tons of early potatoes, and considerable amounts of other farm produce. For all types of produce, plans call for a substantial increase over last year's level. In addition, we have a special task: that of making up the lag that was allowed to develop in the production of produce in the first 3 years of the five-year plan. All of the association's effort now is being channeled into these tasks. In the first quarter we procured more than 923 tons of meat (versus a planned 785 tons) and 234 tons of milk over the amount in the same period last year. The first batches of early cabbages and table greens are coming into the stores now. We have every reason to believe that Agro-promtorg's collectives will successfully meet their obligations.

6854

CSO: 1827/249

END

**END OF**

**FICHE**

**DATE FILMED**

13 July 1984